



SIM LIAN GROUP LIMITED

(Company Registration No. 200004760C)

Full Year Financial Statement and Dividend Announcement

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

- 1(a) 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.

	Note	Group		
		Full year ended 30 June		Change
		2016	2015	
		S\$'000	S\$'000	%
Revenue	1	570,917	1,193,233	-52%
Other operating income	2	14,866	8,024	85%
Contract costs		(433,989)	(906,139)	-52%
Raw materials and consumables		(14,767)	(15,615)	-5%
Property operating expense		(7,759)	(3,804) *	104%
Employee benefits expense		(16,861)	(21,198)	-20%
Depreciation expense		(2,382)	(2,219)	7%
Change in fair value of derivative financial instruments		(1,060)	(666)	59%
Change in fair value of investment properties		2,863	8,169	-65%
Foreign exchange losses		(8,221)	(13,808)	-40%
Other operating expenses	3	(14,138)	(10,748)	32%
Profit from operations		89,469	235,229	-62%
Finance costs		(4,775)	(5,270)	-9%
Share of results of joint ventures, net of tax		1,537	49,947	-97%
Profit before income tax		86,231	279,906	-69%
Less: income tax expense	4	(15,285)	(38,658)	-60%
Profit for the financial year		70,946	241,248	-71%
Other comprehensive loss :				
Item that may be reclassified subsequently to profit or loss:				
Exchange differences arising from translation of foreign subsidiaries		(3,895)	(11,555)	-66%
Other comprehensive loss for the financial year, net of tax		(3,895)	(11,555)	-66%
Total comprehensive income for the financial year		67,051	229,693	-71%
Profit attributable to:				
Owners of the Company		68,794	240,365	-71%
Non-controlling interests		2,152	883	144%
Profit for the financial year		70,946	241,248	-71%
Total comprehensive income attributable to:				
Owners of the Company		64,903	228,806	-72%
Non-controlling interests		2,148	887	142%
Total comprehensive income for the financial year		67,051	229,693	-71%

1(a) 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		
	Full year ended 30 June		Change
	2016	2015	
	S\$'000	S\$'000	%
Note 1: Revenue comprises the following:-			
Revenue from construction contracts	429,997	229,036	88%
Revenue from property development	86,608	914,333	-91%
Revenue from property investment	26,912	22,068	22%
Sales of goods and construction materials	19,020	19,879	-4%
Leasing of mobile sanitation facilities and construction equipment	8,380	7,917	6%
	570,917	1,193,233	-52%
Note 2: Other operating income comprises the following:-			
Rental income	1,923	616	212%
Interest income	7,104	5,853	21%
Gain on disposal of property, plant and equipment	109	256	-57%
Property outgoings recovery	4,042	2,038 *	98%
Other sundry income	1,688	1,299	30%
Note 3: Other operating expenses include:-			
Bad trade and other receivables written off	157	29	441%
Property expenses	3,362	3,212	5%
Management fee	3,118	2,409	29%
Marketing costs incurred for development properties	1,812	-	n/m
Reversal of allowance for doubtful trade receivables	(26)	(29)	-10%
Note 4: Income tax expense includes:-			
Under provision for tax in respect of prior periods	1,602	170	842%

n/m : not meaningful

* In financial year ended 30 June 2015, property outgoings recovery was netted off against property operating expense.

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.

	Note	Group		Company	
		As at 30-06-2016	As at 30-06-2015	As at 30-06-2016	As at 30-06-2015
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Current assets:					
Cash and cash equivalents	5	324,209	167,396	41,902	30,516
Trade and other receivables	6	170,406	302,055	314	209
Inventories		3,872	4,964	-	-
Development properties		601,470	567,311	-	-
Total current assets		1,099,957	1,041,726	42,216	30,725
Non-current assets:					
Subsidiaries		-	-	299,441	249,257
Joint ventures	7	240,614	268,156	-	-
Property, plant and equipment	8	28,919	21,572	-	-
Investment properties	9	407,026	305,090	-	-
Derivative financial instruments		109	823	-	-
Deferred tax assets		8,773	10,858	-	-
Total non-current assets		685,441	606,499	299,441	249,257
Total assets		1,785,398	1,648,225	341,657	279,982
LIABILITIES AND EQUITY					
Current liabilities:					
Bank loans	10	19,515	21,498	-	-
Trade and other payables	11	240,583	212,459	534	617
Provisions		66,170	81,460	-	-
Derivative financial instruments		294	-	294	-
Current portion of finance leases		147	160	-	-
Income tax payable	12	6,003	49,180	176	31
Total current liabilities		332,712	364,757	1,004	648
Non-current liabilities:					
Bank loans	10	285,878	107,533	-	-
Other payables		3,006	5,149	-	-
Derivative financial instruments		71	-	-	-
Finance leases		195	300	-	-
Deferred tax liabilities		-	-	1,763	1,403
Total non-current liabilities		289,150	112,982	1,763	1,403
Capital and reserves:					
Share capital		155,181	155,181	155,181	155,181
Retained earnings		1,015,985	1,020,420	183,709	122,750
Other components of equity		(12,678)	(8,787)	-	-
Equity attributable to owners of the Company		1,158,488	1,166,814	338,890	277,931
Non-controlling interests		5,048	3,672	-	-
Total equity		1,163,536	1,170,486	338,890	277,931
Total liabilities and equity		1,785,398	1,648,225	341,657	279,982

Notes

5. Included in the cash and cash equivalents of the Group is an amount of \$12,901,000 (30 June 2015: \$11,531,000) held under the Housing Developers' (Project Account) Rules, withdrawals from which are restricted to payments for expenditure incurred on the property development projects.

The increase in cash and cash equivalents is mainly due to an increase in fixed deposits and progress billings received from the Group's several projects. The increase is offset by dividends paid to shareholders of the Company.

6. The decrease in trade and other receivables is mainly due to receipt of progress billings for projects which obtained Temporary Occupation Permit ("TOP") during prior financial years.
7. The decrease in joint ventures is mainly due to dividends received from a joint venture.
8. The increase in property, plant and equipment is mainly due to land and construction costs incurred in relation to a land parcel at Tampines Industrial Drive which is being developed for the Group's own use.
9. The increase in investment properties is mainly due to purchase of investment properties in Australia. Please refer to the Company's announcements dated 28 October 2015, 11 December 2015 and 7 June 2016.
10. The increase in bank loan is mainly due to drawdown of bank loans for a development project and purchase of investment properties.
11. The increase in trade and other payables is mainly due to increase in percentage of work done for the construction division and 5% booking fee received in respect of units in a development project (which revenue and related expenses are accounted for using the completion of contract method) launched during the financial year ended 30 June 2016 ("FY2016").
12. The decrease in income tax payable is mainly due to tax paid during FY2016.

1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

As at 30-06-2016		As at 30-06-2015	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
19,662	-	21,658	-

Amount repayable after one year

As at 30-06-2016		As at 30-06-2015	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
286,073	-	107,833	-

Details of any Collateral

The Group's borrowings are secured by the followings:-

- (i) legal mortgages on 12 (FY2015: 9) investment properties;
- (ii) legal mortgage on 1 development property;
- (iii) legal mortgage on 2 (FY2015: 2) leasehold properties;
- (iv) Assignment of rights, titles and interests of all agreements relating to 1 development property including sales and rental agreements; and
- (v) Undertaking provided by the Company for 1 development property.

Finance leases are secured by certain plant and equipment of the Group with carrying amount of \$608,000 (FY2015: \$737,000).

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	
	Full year ended 30 June	
	2016	2015
	S\$'000	S\$'000
Operating activities		
Profit before income tax and share of results of joint ventures, net of tax	84,694	229,959
Adjustments for:		
(Reversal of provisions) Provisions charged to profit or loss	(10,074)	18,201
Change in fair value of investment properties	(2,863)	(8,169)
Reversal of allowance for doubtful trade receivables	(26)	(29)
Bad trade and other receivables written off	157	29
Depreciation expense	2,382	2,219
Gain on disposal of property, plant and equipment	(109)	(256)
Change in fair value of derivative financial instruments	1,060	666
Interest expense	4,775	5,270
Interest income	(7,104)	(5,853)
Property, plant and equipment written-off	2	6
Operating profit before movement in working capital	72,894	242,043
Trade and other receivables	94,711	34,664
Deposit and advance payment for land purchase	-	(350)
Deposit for investment property	(1,583)	-
Inventories	1,092	(415)
Development properties	(28,880)	311,335
Provisions utilised	(5,177)	(11,131)
Trade and other payables	27,902	(432,056)
Cash generated from operations	160,959	144,090
Income tax paid	(55,314)	(49,630)
Interest paid	(6,334)	(5,806)
Interest received	3,884	3,254
Net cash from operating activities	103,195	91,908
Investing activities		
Purchase of property, plant and equipment	(9,903)	(7,221)
Additions to investment properties	(111,142)	(87,215)
Loans to joint ventures	(8,936)	(5,035)
Repayment of loan from a joint venture	36,375	23,324
Dividend received from a joint venture	41,500	-
Proceeds from disposal of property, plant and equipment	186	259
Net cash used in investing activities	(51,920)	(75,888)

- 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	
	Full year ended 30 June	
	2016	2015
	S\$'000	S\$'000
Financing activities		
Proceeds from bank loans	231,581	46,261
Repayment of bank loans	(50,880)	(174,650)
Dividends paid by the Company	(73,229)	(46,271)
Dividends paid to non-controlling interests of subsidiary	(772)	(823)
Repayment of finance lease liabilities	(160)	(184)
Net cash from (used in) financing activities	106,540	(175,667)
Increase (Decrease) in cash and cash equivalents	157,815	(159,647)
Cash and cash equivalents at beginning of the financial year	167,396	329,061
Effects of exchange rate changes on the balance of cash held in foreign currencies	(1,002)	(2,018)
Cash and cash equivalents at end of the financial year	324,209	167,396

Operating activities

The Group's net cash from operating activities for FY2016 was an inflow of \$103.2 million compared to \$91.9 million for the financial year ended 30 June 2015 ("FY2015").

Financing activities

The Group's cash from financing activities was \$106.5 million in FY2016 compared to cash used in financing activities of \$175.7 million for FY2015.

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.

	Other components of equity							
	Share Capital	Equity Reserve	Asset Revaluation Reserve	Foreign Currency Translation Reserve	Retained Earnings	Attributable to Owners of the Company	Non - Controlling Interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Group								
Balance at 1/7/2014	155,181	(112)	2,405	479	826,326	984,279	3,608	987,887
Profit for the financial year	-	-	-	-	240,365	240,365	883	241,248
<i>Other comprehensive income</i>								
Foreign currency translation	-	-	-	(11,559)	-	(11,559)	4	(11,555)
Other comprehensive income for the financial year, net of tax	-	-	-	(11,559)	-	(11,559)	4	(11,555)
Total comprehensive income for the financial year	-	-	-	(11,559)	240,365	228,806	887	229,693
<i>Contributions by and distributions to owners</i>								
Dividends paid to non-controlling interests	-	-	-	-	-	-	(823)	(823)
Dividends paid in cash	-	-	-	-	(46,271)	(46,271)	-	(46,271)
Total contributions by and distributions to owners	-	-	-	-	(46,271)	(46,271)	(823)	(47,094)
Balance at 30/6/2015	155,181	(112)	2,405	(11,080)	1,020,420	1,166,814	3,672	1,170,486
Group								
Balance at 1/7/2015	155,181	(112)	2,405	(11,080)	1,020,420	1,166,814	3,672	1,170,486
Profit for the financial year	-	-	-	-	68,794	68,794	2,152	70,946
<i>Other comprehensive income</i>								
Foreign currency translation	-	-	-	(3,891)	-	(3,891)	(4)	(3,895)
Other comprehensive income for the financial year, net of tax	-	-	-	(3,891)	-	(3,891)	(4)	(3,895)
Total comprehensive income for the financial year	-	-	-	(3,891)	68,794	64,903	2,148	67,051
<i>Contributions by and distributions to owners</i>								
Dividends paid to non-controlling interests	-	-	-	-	-	-	(772)	(772)
Dividends paid in cash	-	-	-	-	(73,229)	(73,229)	-	(73,229)
Total contributions by and distributions to owners	-	-	-	-	(73,229)	(73,229)	(772)	(74,001)
Balance at 30/6/2016	155,181	(112)	2,405	(14,971)	1,015,985	1,158,488	5,048	1,163,536

- 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	Retained Earnings S\$'000	Total Equity S\$'000
<u>Company</u>			
Balance at 1/7/2014	155,181	73,218	228,399
Profit for the financial year, representing total comprehensive income for the financial year	-	95,803	95,803
<i>Contributions by and distributions to owners</i>			
Dividends paid in cash	-	(46,271)	(46,271)
Total contributions by and distributions to owners	-	(46,271)	(46,271)
Balance at 30/6/2015	155,181	122,750	277,931
Balance at 1/7/2015	155,181	122,750	277,931
Profit for the financial year, representing total comprehensive income for the financial year	-	134,188	134,188
<i>Contributions by and distributions to owners</i>			
Dividends paid in cash	-	(73,229)	(73,229)
Total contributions by and distributions to owners	-	(73,229)	(73,229)
Balance at 30/6/2016	155,181	183,709	338,890

- 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.**

	Group	
	Financial year ended 30 June 2016	2015
Balance as at 1 July and at 30 June	1,005,890,466	1,005,890,466

During FY2016, there were no changes in the Company's share capital.

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

	Group	
	As at	
	30-06-2016	30-06-2015
Total number of issued shares	1,005,890,466	1,005,890,466
Less: Treasury shares	-	-
Total number of issued shares excluding treasury shares	1,005,890,466	1,005,890,466

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

Not applicable.

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

The figures have not been audited nor 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 the preparation of the financial statements for the current reporting year as those of the audited financial statements for FY2015.

- 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.**

Not applicable.

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.

- (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	
	Full year ended 30 June	
	2016	2015
Group profit attributable to owners of the Company (\$'000)	68,794	240,365
Weighted average number of shares	1,005,890,466	1,005,890,466
Basic and diluted earnings per share (cents)	6.84	23.90

Earnings per share is calculated based on the net profit attributable to owners of the Company divided by the weighted average number of 1,005,890,466 (FY2015: 1,005,890,466) shares.

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 financial period reported on and (b) immediately preceding financial year.

	Group		Company	
	30-06-2016	30-06-2015	30-06-2016	30-06-2015
Net asset value per ordinary share (S\$)	1.15	1.16	0.34	0.28

Net asset value per share is calculated based on 1,005,890,466 ordinary shares in issue at the end of the current financial period (30 June 2015: 1,005,890,466).

- 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) seasonable 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.

Group Performance

The Group recorded a profit before income tax of \$86.2 million in FY2016, 69% lower than the \$279.9 million recorded in FY2015, with revenue of \$570.9 million for FY2016 reflecting a 52% decrease from \$1,193.2 million in FY2015.

The property development division contributed \$86.6 million to the Group's revenue in FY2016, 91% lower than the \$914.3 million in FY2015. The decrease is mainly due to reduced contribution from the Group's development property which was completed in February 2015, whereby the revenue and related expenses are accounted for using completion of contract method.

The construction division contributed \$430.0 million to the Group's revenue, an increase of 88% from the \$229.0 million in FY2015. This higher revenue contribution from the construction division, mainly due to increase in percentage of work done in FY2016 as compared to FY2015.

The Group incurred contract costs of \$434.0 million, 52% lower than the \$906.1 million incurred in FY2015. The decrease in contract costs is in tandem with the decrease in revenue.

The increase in property operating expenses is mainly due the growth in the portfolio of investment properties in Australia over the past 2 years.

The decrease in employee benefits expense is mainly due to decrease in provision for profit sharing for the executive directors of the Company.

The Group recorded foreign exchange loss of \$8.2 million in FY2016, mainly due to the revaluation of intercompany balances which are not denominated in the functional currency of the respective subsidiaries.

The decrease in share of results of joint ventures is mainly due to the absence of contribution by a development project undertaken by a joint venture which obtained Temporary Occupation Permit in May 2015.

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

The current announced results are in line with the prospect commentary previously disclosed in the financial statement announcement for financial period ended 31 March 2016.

- 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 statistics released by Urban Redevelopment Authority ("URA"), prices of private residential properties decreased by 0.4% in the second quarter of 2016, compared to the decline of 0.7% in the first quarter of 2016. The sales volume of 2,256 private residential units in the second quarter of 2016 is higher than the 1,419 units sold by developers in the first quarter of 2016.

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)

Prices of office space decreased by 1.5% in the second quarter of 2016, compared to the decrease of 0.3% in the first quarter of 2016.

Rentals of retail space decreased by 3.5% in the second quarter of 2016, compared to the 1.9% decrease in the first quarter of 2016.

With the property cooling and loan restriction measures still in effect since June 2013 and the expected global slow growth, the Group expects the operating environment for property market to continue to be challenging.

In June 2016, the Group completed the acquisition of two investment grade retail properties, Woolworths Shopping Centre and Masters Home Improvement Everton Park located at Queensland, Australia for A\$70 million. The Group also announced the proposed acquisition of Dalyellup Shopping Centre, a freehold investment grade neighbourhood shopping centre located in Dalyellup, Western Australia, for A\$31.56 million, and the completion took place in July 2016.

Following the adoption of INT FRS 115 with effect from 1 July 2010, the Group expects greater fluctuations in our future earnings as most of the Group's ongoing projects (including those of our 50:50 joint ventures) are being accounted for using the completion of contract method.

11 Dividend

(a) Current Financial Period

Any dividend declared for the current financial period reported on ?

Yes

Name of Dividend	:	First & Final
Dividend Type	:	Cash
Dividend Amount per share	:	\$ 0.015
Tax Rate	:	Tax exempt (1-Tier)

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

Name of Dividend	:	First & Final
Dividend Type	:	Cash
Dividend Amount per share	:	\$ 0.0728
Tax Rate	:	Tax exempt (1-Tier)

(b) Date payable

To be announced at a later date.

(c) Books closure date

To be announced at a later date.

12 If no dividend has been declared (recommended), a statement to that effect

Not applicable.

PART 2 ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

13 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.

	Building Construction \$'000	Property Development \$'000	Property Investment \$'000	Investment Holding \$'000	Others* \$'000	Eliminations \$'000	Group \$'000
<u>30/6/2016</u>							
<u>Revenue</u>							
External customers	429,997	86,608	26,912	-	27,400	-	570,917
Inter-segment	76,043	-	-	-	5,031	(81,074)	-
Total revenue	506,040	86,608	26,912	-	32,431	(81,074)	570,917
<u>Results</u>							
Segment result	36,721	10,850	17,028	653	5,096	12,596	82,944
Depreciation	(1,080)	(4)	-	(108)	(1,190)	-	(2,382)
Change in fair value of derivative financial instruments	-	-	(766)	(294)	-	-	(1,060)
Change in fair value of investment properties	-	-	2,863	-	-	-	2,863
Share of results of joint ventures, net of tax	-	5,066	(3,529)	-	-	-	1,537
Interest income	745	790	160	5,399	10	-	7,104
Interest expense	(193)	-	(4,582)	-	-	-	(4,775)
Profit before income tax							86,231
Less: income tax expense							(15,285)
Profit for the financial year							70,946
<u>Assets and Liabilities</u>							
Segment assets	250,148	883,971	459,702	155,652	27,118	-	1,776,591
Unallocated assets							8,807
Total assets							1,785,398
Segment liabilities	175,749	248,432	183,067	839	7,431	-	615,518
Unallocated liabilities							6,344
Total liabilities							621,862
<u>Other information</u>							
Capital expenditure	9,554	18	-	-	723	-	10,295
Reversal of provision for contract costs	(7,351)	(2,723)	-	-	-	-	(10,074)
Additions to investment properties	-	-	109,457	-	-	-	109,457

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.

	Building Construction \$'000	Property Development \$'000	Property Investment \$'000	Investment Holding \$'000	Others* \$'000	Eliminations \$'000	Group \$'000
<u>30/6/2015</u>							
<u>Revenue</u>							
External customers	229,036	914,333	22,068	-	27,796	-	1,193,233
Inter-segment	97,645	-	-	-	3,734	(101,379)	-
Total revenue	326,681	914,333	22,068	-	31,530	(101,379)	1,193,233
<u>Results</u>							
Segment result	55,214	158,510	11,332	(906)	5,393	(5,451)	224,092
Depreciation	(921)	-	-	(143)	(1,155)	-	(2,219)
Change in fair value of derivative financial instruments	-	-	(666)	-	-	-	(666)
Change in fair value of investment properties	-	-	8,169	-	-	-	8,169
Share of results of joint ventures, net of tax	-	69,481	(19,557)	-	23	-	49,947
Interest income	425	1,678	177	3,549	24	-	5,853
Interest expense	(30)	(34)	(5,201)	-	(5)	-	(5,270)
Profit before income tax							279,906
Less: income tax expense							(38,658)
Profit for the financial year							241,248
<u>Assets and Liabilities</u>							
Segment assets	118,769	1,100,720	350,124	41,856	25,838	-	1,637,307
Unallocated assets							10,918
Total assets							1,648,225
Segment liabilities	157,369	129,537	136,454	629	4,110	-	428,099
Unallocated liabilities							49,640
Total liabilities							477,739
<u>Other information</u>							
Capital expenditure	5,879	8	1,017	-	660	-	7,564
Provision for contract costs	15,728	2,473	-	-	-	-	18,201
Additions to investment properties	-	-	85,502	-	-	-	85,502

* Others comprise (1) trading of industrial and marine lubricants; (2) leasing, servicing and maintenance of construction and industrial equipment and parts; and (3) leasing, servicing and maintenance of mobile sanitation facilities.

Geographical segments

	Singapore	Australia	Malaysia	Total
	S\$'000	S\$'000	S\$'000	S\$'000
<u>30/6/2016</u>				
Revenue	471,366	26,912	72,639	570,917
Investment properties	9,580	397,445	-	407,025
<u>30/6/2015</u>				
Revenue	1,151,565	22,068	19,600	1,193,233
Investment properties	10,080	295,010	-	305,090

Major customer information

The Group does not have revenue from transactions with a single customer amounting to 10% or more of the Group's total revenue, and accordingly, no information on major customer is presented.

14 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 above.

15 A breakdown of sales

	Group		
	S\$'000		% Change
	30/6/2016	30/6/2015	
(a) Sales reported for first half year	283,964	470,399	-40%
(b) Operating profit/loss after tax before deducting non-controlling interests reported for first half year	39,772	97,987	-59%
(c) Sales reported for second half year	286,953	722,834	-60%
(d) Operating profit/loss after tax before deducting non-controlling interests reported for second half year	31,174	143,261	-78%

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

	30/6/2016	30/6/2015
	\$'000	\$'000
Ordinary	15,088	73,229
Preference	-	-
Total	15,088	73,229

17 Interested Person Transactions

Name of interested persons		Aggregate value of all interested person transactions for the financial period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) \$'000	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) \$'000
Sim Lian Development Pte Ltd ("SLD")	Interest payable by Sim Lian JV (BP) Pte. Ltd. ("ResiSPV") to SLD	690	-
Sim Lian JV (BP) Pte. Ltd. ("ResiSPV")	Interest payable by ResiSPV to Sim Lian Land Pte Ltd ("SLL")	1,380	-
Sim Lian JV (BP) Pte. Ltd. ("ResiSPV")	Proportionate shareholder loans by SLL to ResiSPV	535 ⁽ⁱ⁾	-
Sim Lian JV (BP Retail) Pte. Ltd. ("RetailSPV")	Proportionate shareholder loans by SLL to RetailSPV	8,401 ⁽ⁱ⁾	-
Sim Lian Development Pte Ltd ("SLD")	Interest payable by Sim Lian JV (Vision) Pte. Ltd. ("VisionSPV") to SLD	1,052	-
Sim Lian JV (Vision) Pte. Ltd. ("VisionSPV")	Interest payable by VisionSPV to SLL	2,105	-
Sim Lian JV (Punggol Central) Pte. Ltd. ("SLJV")	Interest receivable on inter-joint venture loans to VisionSPV	1,228	-
Mr Kuik Thiam Huat	Non-executive deputy chairman of Sim Lian Group Limited as advisor to the Group's construction division	250	-
OrangeTee.Com Pte Ltd ("OTC")	Marketing commission as a joint agent	-	-
Sim Lian JV (BP Retail) Pte. Ltd. ("RetailSPV")	Variation orders for a cost plus construction contract awarded to Sim Lian Construction Co. (Pte.) Ltd. ("SLC")	-	12,432
Sim Lian Land Pte Ltd	Sale of motor vehicle to Ms. Kuik Sin Leng	147	-
Sim Lian Construction Co. (Pte.) Ltd. ("SLC")	Purchase of motor vehicle from Mr. Kuik Sin Pin	128	-
OrangeTee.Com Pte Ltd ("OTC")	Marketing commission and incentives	1,195	-
Sim Lian JV (Punggol Central) Pte. Ltd. ("SLJV")	Deployment charge from SLC	209	-
Sim Lian JV (BP) Pte. Ltd. ("ResiSPV")	Deployment charge from Sim Lian (Starlight) Pte. Ltd. ("Starlight")	187	-
Sim Lian JV (Vision) Pte. Ltd. ("VisionSPV")	Deployment charge from Starlight	275	-
		17,782	12,432

Note (i) Under Rule 916 (3) of the SGX Listing Manual, this transaction is not required to comply with Rule 906.

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(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Pursuant to Rule 704(11) of the Listing Manual, Sim Lian Group Limited (the "Company") confirms that persons occupying managerial position in the Company or any of its principal subsidiaries who are related to a director, chief executive officer or substantial shareholder of the Company in respect of the financial year ended 30 June 2016 are set out below:

Name	Age	Family relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Kuik Ah Han	70	- Brother of Kuik Thiam Huat (Non-Executive Deputy Chairman); - Father of Kuik Sin Pin (Group Chief Executive Officer), and Kuik Sing Beng; and - Husband of Mdm Lim Ah Kie (Substantial Shareholder)	Executive Chairman of Sim Lian Group Limited since 2000. Steers the Group in strategic planning, direction setting and corporate development.	No change.
Kuik Sin Pin	45	- Son of Kuik Ah Han (Executive Chairman and Substantial Shareholder) and Mdm Lim Ah Kie (Substantial Shareholder); - Brother of Kuik Sing Beng ; and - Nephew of Kuik Thiam Huat (Non-Executive Deputy Chairman)	Executive Director of Sim Lian Group Limited since 2000. Deputy Managing Director of Sim Lian Group Limited from 2004 to end 2009. Group Chief Executive Officer of Sim Lian Group Limited since 1 January 2010. Responsible for the overall operations of the Group and for developing business opportunities.	No change.

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.

Pursuant to Rule 704(11) of the Listing Manual, Sim Lian Group Limited (the "Company") confirms that persons occupying managerial position in the Company or any of its principal subsidiaries who are related to a director, chief executive officer or substantial shareholder of the Company in respect of the financial year ended 30 June 2016 are set out below:

Name	Age	Family relationship with any Director and/or Chief Executive Officer and/or Substantial Shareholder	Current position and duties, and the year position was first held	Details of changes in duties and position held, if any, during the year
Kuik Sing Beng	49	- Son of Kuik Ah Han (Executive Chairman and Substantial Shareholder) and Mdm Lim Ah Kie (Substantial Shareholder); - Brother of Kuik Sin Pin (Group Chief Executive Officer); and - Nephew of Kuik Thiam Huat (Non-Executive Deputy Chairman)	Director of Sim Lian Group Limited (appointed on 25 Oct 2007) Manages the overall operations of the Property Development division. He also assists in the business development of the Group.	No change.
Kuik Chim Mui	67	- Sister of Kuik Ah Han (Executive Chairman and Substantial Shareholder) & Kuik Thiam Huat (Non-Executive Deputy Chairman) and sister-in-law of Mdm Lim Ah Kie (Substantial Shareholder); - Aunt of Kuik Sin Pin (Group Chief Executive Officer), and Kuik Sing Beng.	Appointed as director of the 5 Malaysian subsidiaries with effect from 10 February 2010, namely: 1) Perumahan SLG Central Sdn. Bhd. 2) SLG Bersatu Sdn. Bhd. 3) SLC (M) Sdn. Bhd. 4) Perumahan SLG Selatan Sdn. Bhd. 5) Perumahan SLG (Kulai) Sdn. Bhd. To strengthen and to oversee effective human resource and administrative functions of the Group's 5 subsidiaries in Malaysia.	No change.



SIM LIAN GROUP LIMITED

(Company Registration No. 200004760C)

CONFIRMATION BY THE BOARD PURSUANT TO RULE 720(1) OF THE SGX-ST LISTING MANUAL

We, Kuik Sin Pin and Kuik Sing Beng, being two Directors of Sim Lian Group Limited (“the Company”) do hereby confirm that the Company has procured undertakings from the Company’s directors and executive officers in the format set out in Appendix 7.7 under Rule 720(1) of the SGX-ST Listing Manual.

On behalf of the Board of Directors

Kuik Sin Pin
Group Chief Executive Officer

Kuik Sing Beng
Executive Director

25 August 2016