



CHINESE GLOBAL INVESTORS GROUP LTD.

(Incorporated in Singapore)
(Company Registration Number: 196600189D)

Unaudited Financial Statements and Dividend Announcement for the Fourth Quarter And Financial Year Ended 30 June 2016

29 August 2016

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. ("Sponsor"), for compliance with the relevant rules of Singapore Exchange Securities Trading Limited ("SGX-ST") Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

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

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CHINESE GLOBAL INVESTORS GROUP LTD.

(Incorporated in the Republic of Singapore)

(Company Registration No. 196600189D)

Fourth Quarter and Full Year Financial Statements for the Financial Year Ended 30 June 2016

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

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

the corresponding period of the immediately preceding financial year.				
	Note	Group		+ / -
		Full Year Ended		
		6/30/2016 (Unaudited)	6/30/2015 (Audited)	%
		S\$	S\$	%
Revenue		10,632,544	13,613,484	(21.9)
Cost of Sales		(7,777,604)	(9,309,408)	(16.5)
Gross Profit		2,854,940	4,304,076	(33.7)
Other Income	i	259,487	1,555,235	(83.3)
Distribution Expenses		(1,107,565)	(864,071)	28.2
Administrative Expenses		(3,440,865)	(3,595,191)	(4.3)
Other Expenses	ii	(3,139,575)	(721,462)	335.2
Finance Cost		(70,385)	(188,469)	(62.7)
(Loss)/Profit before Income Tax	iii	(4,643,963)	490,118	(1,047.5)
Income Tax (Expense)/ Credit		(23,356)	87,678	(126.6)
(Loss)/Profit for the Year		(4,667,319)	577,796	(907.8)
Other Comprehensive Income/(Loss):				
Currency translation differences arising from consolidation		(56,550)	138,036	(141.0)
Available-for-sale investments:				
- Fair value losses		-	(373,370)	NM
- Reclassification		-	(1,079,388)	NM
Other comprehensive loss for the year, net of tax		(56,550)	(1,314,722)	(95.7)
Total Comprehensive Loss for the Year		(4,723,869)	(736,926)	541.0
(Loss)/Profit for the Year Attributable to Owners of the Company		(4,667,319)	577,796	(907.8)
Total Comprehensive Loss Attributable to Owners of the Company		(4,723,869)	(736,926)	541.0

NM – Not Meaningful

(i) Other income includes the following:

	<u>Group</u>	
	<u>Full Year Ended</u>	
	6/30/2016	6/30/2015
	Unaudited	Audited
	S\$	S\$
Allowance for doubtful debts written back	-	10,737
Bad debts recovered	23,976	14,237
Dividend income	1,242	-
Foreign exchange gain	12,039	22,753
Gain on disposal of available-for-sale investments	-	191,822
Gain on disposal of property, plant and equipment	150	83,328
Gain on disposal of an associate	716	-
Government grants/subsidies	53,063	37,014
Interest income	10,927	11,835
Realised gain on available-for-sale investment	-	1,079,388
Sundry income	157,374	104,121
	259,487	1,555,235

(ii) Other expenses include the following:

	<u>Group</u>	
	<u>Full Year Ended</u>	
	6/30/2016	6/30/2015
	Unaudited	Audited
	S\$	S\$
Allowances for doubtful debts	146,963	108,516
Bad debts written off	12,821	1,247
Fair value loss on held-for-trading investments	1,968,757	423,813
Inventory written off	2,211	42,394
Impairment on Goodwill	212,863	-
Loss on disposal of held-for-trading investments	757,042	107,963
Provision for stock obsolescence	-	13,983
Sundry expense	38,918	23,546
	3,139,575	721,462

(iii) (Loss)/Profit before income tax is arrived at after charging the following:

	6/30/2016	6/30/2015
	Unaudited	Audited
	S\$	S\$
Amortisation of intangible assets	788	788
Depreciation of property, plant and equipment	141,411	130,701

(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.

	<u>Group</u>		<u>Company</u>	
	6/30/2016	6/30/2015	6/30/2016	6/30/2015
	Unaudited	Audited	Unaudited	Audited
	S\$	S\$	S\$	S\$
<u>ASSETS</u>				
<u>Non-current assets:</u>				
Property, plant and equipment	539,860	624,882	402	1,000
Intangible assets	2,715	3,503	-	-
Subsidiaries	-	-	963,340	963,340
Goodwill	351,914	-	-	-
Deferred tax assets	-	19,960	-	-
Total non-current assets	894,489	648,345	963,742	964,340
<u>Current assets:</u>				
Inventories	783,153	1,126,439	-	-
Gross amount due from contract customers	211,869	233,941	-	-
Trade and other receivables	5,711,517	6,160,086	239,370	327,137
Amount due from a related party	4,000	-	-	-
Held-for-trading investments	894,020	3,998,810	-	-
Available-for-sale investments	14,791	15,706	-	-
Cash and bank balances	1,254,122	1,513,478	15,784	24,761
Income tax recoverable	17,332	-	-	-
Total current assets	8,890,804	13,048,460	255,154	351,898
Total assets	9,785,293	13,696,805	1,218,896	1,316,238
<u>LIABILITIES AND EQUITY</u>				
<u>Current liabilities:</u>				
Trade and other payables	5,132,912	4,412,942	592,342	602,836
Provision for warranty	85,337	168,840	-	-
Amount due to a related party	200,000	-	200,000	-
Gross amount due to contract customers	91,317	135,844	-	-
Lease obligations	38,185	52,657	-	-
Bank overdrafts	85,796	376,634	-	-
Short term borrowing	462,128	-	-	-
Income tax payable	-	164,582	-	-
Total current liabilities	6,095,675	5,311,499	792,342	602,836
<u>Non-current liabilities:</u>				
Lease obligations	85,298	61,493	-	-
Deferred tax liabilities	5,354	978	-	-
Total non-current liabilities	90,652	62,471	-	-
<u>Capital and reserves:</u>				
Share capital	40,310,404	40,310,404	40,310,404	40,310,404
Statutory reserve	346,410	346,410	-	-
Foreign currency translation reserves	(825,497)	(768,947)	-	-
Fair value reserve	15,706	15,706	-	-
Reserve on put option	49,247	49,247	-	-
Accumulated losses	(36,297,304)	(31,629,985)	(39,883,851)	(39,597,002)
Total equity	3,598,966	8,322,835	426,554	713,402
Total liabilities and equity	9,785,293	13,696,805	1,218,896	1,316,238
Working capital	2,795,129	7,736,961		
Total borrowings	671,407	490,784		
Gross gearing (times)*	0.19	0.06		

*Gross gearing = total borrowings/total equity

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 June 2016 (Unaudited) S\$		As at 30 June 2015 (Audited) S\$	
Secured	Unsecured	Secured	Unsecured
586,109	-	429,291	-

Amount repayable after one year

As at 30 June 2016 (Unaudited) S\$		As at 30 June 2015 (Audited) S\$	
Secured	Unsecured	Secured	Unsecured
85,298	-	61,493	-

Details of any collaterals

The Group's secured borrowings comprised of short-term borrowings, bank overdrafts and finance leases.

Short-term borrowings of S\$462,128 (30 June 2015: nil) are secured on the Group's held-for-trading investments.

Bank overdrafts of S\$85,796 (30 June 2015: S\$376,634) are secured on fixed deposits pledged.

Finance leases of S\$123,981 (30 June 2015: S\$114,150) are secured on the plant and equipment. The net book value of these plant and equipment as at 30 June 2016 is S\$263,263 (30 June 2015: S\$244,533).

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

	Group	
	Full Year Ended	
	6/30/2016	6/30/2015
	Unaudited	Audited
	S\$	S\$
Cash flows from operating activities		
(Loss)/Profit before income tax	(4,643,963)	490,118
Amortisation of intangible assets	788	788
Allowances for doubtful debts written back	-	(10,737)
Allowances for doubtful debts	146,963	108,516
Bad debts written off	12,821	1,247
Bad debts recovered	(23,976)	(14,237)
Depreciation of property, plant and equipment	141,411	130,701
Dividend income	(1,242)	-
Fair value loss on held-for-trading investment	1,968,757	423,813
Foreign exchange gain	(2,105)	(43,169)
Impairment loss of goodwill	212,863	-
Interest expense	70,385	188,469
Interest income	(10,927)	(11,835)
Inventory written off	2,211	42,394
Loss on disposal of held-for-trading investment	757,042	107,963
Gain on disposal of available-for-sale investment	-	(191,822)
Gain on disposal of property, plant and equipment	(150)	(83,328)
Gain on disposal of associate	(716)	-
Realised gain on available-for-sale investment	-	(1,079,388)
Provision for obsolete stocks	-	13,983
Provision for foreseeable loss	(2,258)	(84,567)
Provision for warranties	57,675	46,000
Operating (loss)/profit before working capital changes	(1,314,420)	34,909
Changes in working capital:		
Trade and other receivables	308,128	(898,256)
Amount due from/to contract customers	(30,778)	124,573
Inventories	302,720	(56,613)
Net increase of held-for-trading investment	461,898	944,737
Trade and other payables	596,889	(1,717,611)
Cash generated from/(used in) operations	324,437	(1,568,261)
Interest paid	(70,385)	(188,469)
Income tax paid	(144,030)	(96,309)
Net cash from/(used in) operating activities	110,022	(1,853,039)
Cash flows from investing activities		
Dividends received	1,242	-
Interest received	10,927	11,835
Proceeds from disposal of available-for-sale	-	2,521,844
Proceeds from disposal of property, plant and equipment	1,507	84,299
Proceeds from disposal of associate	716	-
Purchase of property, plant and equipment	(12,189)	(148,857)
Acquisition of a subsidiary	(176,659)	-
Amount due from/to a related party	196,000	-
Net cash from investing activities	21,544	2,469,121

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

	Group	
	Full Year Ended	
	6/30/2016	6/30/2015
	Unaudited	Audited
	S\$	S\$
Cash flows from financing activities		
Net repayments from finance leases	(62,792)	(100,012)
(Withdrawal)/Placement of fixed deposit pledged	(10,887)	18,108
Net cash used in financing activities	(73,679)	(81,904)
Net effect of exchange rate changes in consolidating subsidiaries	(17,687)	5,549
Net increase in cash and cash equivalents	40,199	534,178
Cash and cash equivalents at beginning of period	395,371	(144,356)
Cash and cash equivalents at end of period	435,570	395,371
	6/30/2016	6/30/2015
	(Unaudited)	(Audited)
	S\$	S\$
Cash at end of period includes the following:		
Cash and bank balances	1,254,122	1,513,478
Bank overdrafts	(85,796)	(376,634)
	1,168,326	1,136,844
Restricted cash	(732,755)	(741,473)
Cash and cash equivalents at end of period	435,570	395,371

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.

Group	Share Capital	Statutory Reserve	Foreign Currency Translation Reserve	Fair Value Reserve on AFS	Reserve on Put Options	Accumulated Losses	Total Equity
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Balance at 1 July 2014 (Audited)	40,310,404	346,410	(906,983)	1,468,464	49,247	(32,207,781)	9,059,761
Profit for the year						577,796	577,796
Other comprehensive loss, net of tax							-
-Currency translation differences arising from consolidation			138,036				138,036
-Fair value loss on available-for-sale investments, net reclassification to profit or loss upon disposal				(1,452,758)			(1,452,758)
Total comprehensive income/(expense) for the year	-	-	138,036	(1,452,758)	-	577,796	(736,926)
Balance at 30 June 2015	40,310,404	346,410	(768,947)	15,706	49,247	(31,629,985)	8,322,835
Balance at 1 July 2015 (Unaudited)	40,310,404	346,410	(768,947)	15,706	49,247	(31,629,985)	8,322,835
Loss for the year						(4,667,319)	(4,667,319)
Other comprehensive loss, net of tax							-
-Currency translation differences arising from consolidation			(56,550)				(56,550)
Total comprehensive income/(expense) for the year	-	-	(56,550)	-	-	(4,667,319)	(4,723,869)
Balance at 30 June 2016 (Unaudited)	40,310,404	346,410	(825,497)	15,706	49,247	(36,297,304)	3,598,966

Company	Share Capital	Accumulated Losses	Total
Balance at 1 July 2014 (Audited)	S\$ 40,310,404	S\$ (38,987,097)	S\$ 1,323,307
Total comprehensive loss for the year	-	(609,905)	(609,905)
Balance at 30 June 2015	40,310,404	(39,597,002)	713,402
Balance at 1 July 2015 (Unaudited)	40,310,404	(39,597,002)	713,402
Total comprehensive loss for the year	-	(286,848)	(286,848)
Balance at 30 June 2016 (Unaudited)	40,310,404	(39,883,850)	426,554

- 1(d)(ii) 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 the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

	<u>Number of Shares</u>	<u>Share Capital (\$)</u>
As at 30 June 2015	915,977,500	40,310,404
As at 30 June 2016	915,977,500	40,310,404

The Group did not have any treasury shares, outstanding options or convertibles as at 30 June 2016 and 30 June 2015.

- 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.**

	30 June 2016	30 June 2015
Total number of issued shares excluding treasury shares	915,977,500	915,977,500

- 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.**

Not applicable. The Group did not have any treasury shares during and as at the end of the current financial year reported on.

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

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

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

Not applicable.

- 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 paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the financial year, compared with those of the most recently audited financial statements for the financial year ended 30 June 2015.

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 adopted a number of new Financial Reporting Standards, amendments to standards and interpretations that are effective for annual periods beginning on and after 1 July 2015. The adoption of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Company and the Group for the current financial year reported on.

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.**

	Full Year Ended	
	6/30/2016 (Unaudited)	6/30/2015 (Audited)
(i) Basic and fully diluted earnings per share ("EPS") (Singapore cents)	(0.51)	0.06
(ii) Weighted average number of ordinary shares issued used in the computation of basic and diluted EPS	915,977,500	915,977,500

Basic and diluted earnings per share are the same as there were no potentially dilutive ordinary shares existing during the respective financial years.

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	
	6/30/2016 (Unaudited)	6/30/2015 (Audited)	6/30/2016 (Unaudited)	6/30/2015 (Audited)
Net asset value per ordinary share (Singapore cents)	0.39	0.91	0.05	0.08
Total number of issued ordinary shares	915,977,500	915,977,500	915,977,500	915,977,500

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
- (b) any material factors that affect the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Consolidated Statement of Comprehensive Income

Revenue

	FY2016	FY2015	+ / (-) %
	S\$'000	S\$'000	
Waterproofing business	10,547	13,613	(22.5)
Financial services and Investment business	85	-	100.0
Total	10,632	13,613	(21.9)

Revenue of S\$10.63 million in FY2016 was 21.9% lower than that in FY2015, mainly due to fewer contract works carried out during the financial year for the waterproofing business as construction demand weakened along with the challenging economic landscape. The Singapore and Malaysia segments of the waterproofing business recorded lower progress claims from completed projects, which were offset by higher progress claims from completed projects in China.

Revenue was partly offset by a maiden contribution amounting to S\$0.09 million from Success Finance Ltd, a subsidiary acquired in October 2015.

Gross Profit

Correspondingly, gross profit decreased 33.7% from S\$4.30 million in FY2015 to S\$2.85 million in FY2016. The Group recorded a lower gross margin of 26.8% in FY2016 relative to that of 31.6% in FY2015 mainly due to higher manpower costs, a direct result of higher government levies imposed on foreign labour.

Other Income

Other income decreased 83.3% or S\$1.30 million from S\$1.56 million in FY2015 to S\$0.26 million in FY2016, mainly due to the absence of a gain on disposal of available-for-sale investments of S\$0.19 million and realized gain on available-for-sale investment of S\$1.08 million respectively. Sundry income comprises of S\$0.08 million license fees from third parties, technical support to third parties of \$0.03 million and write back of accounts payable totaling S\$0.04 million.

Distribution Expenses

Distribution expenses increased 28.2% to S\$1.11 million in FY2016 from S\$0.86 million in FY2015. The increase was primarily due to higher overseas travelling expenses and third party administrative fees for the establishment of sales and marketing infrastructures under the waterproofing business.

Administrative Expenses

Administrative expenses decreased 4.3% to S\$3.44 million in FY2016 from S\$3.59 million in FY2016 largely due to a decrease in salaries resulting from lower staff head count under the waterproofing division, which were offset by higher legal and professional fees relating to corporate advisory incurred by the Company and rental for its Hong Kong subsidiary.

Other Expenses

Other expenses increased from S\$0.72 million in FY2015 to S\$3.14 million in FY2016, due largely to higher fair value loss on held-for-trading investments of S\$1.97 million recognized, higher loss on disposal of held-for-trading investments in quoted shares amounting to S\$0.76 million and goodwill impairments amounting to S\$0.21 million.

Finance Cost

Finance costs decreased 62.7% from S\$0.18 million in FY2015 to S\$0.07 million in FY2016 due to lower interest charges arising from the lower utilisation of bank overdrafts.

Income Tax Expense

The income tax credit in FY2015 was mainly attributed to over provision of current tax while the income tax expense in FY2016 was recognised due to deferred tax expense under the Group's waterproofing subsidiaries.

Net Loss

Based on the above, the Group recorded a net loss of S\$4.67 million in FY2016 as compared to a net profit of S\$0.58 million in FY2015.

Review of Consolidated Statement of Financial Position

Total Assets (Current and Non-Current)

Total assets as at 30 June 2016 of S\$9.79 million represented a 28.6% decrease from S\$13.70 million as at 30 June 2015 mainly due to a decrease in held-for-trading investments, receivables and inventories, partly offset by an increase in goodwill.

Trade and other receivables decreased by approximately S\$0.45 million from S\$6.16 million as at 30 June 2015 to S\$5.71 million as at 30 June 2016, mainly due to a decrease in value of work progressively completed for waterproofing projects.

The Group's fair value of held-for-trading investments decreased by 77.6% or S\$3.10 million from S\$3.99 million as at 30 June 2015 to S\$0.89 million as at 30 June 2016. This was after the purchase and disposal of investments totalling S\$5.13 million and S\$5.59 million respectively, an exchange gain of S\$0.09 million, a realised loss on disposal of S\$0.76 million and a fair value loss of S\$1.97 million after marking to market the quoted equities portfolio as at 30 June 2016.

Inventories decreased from S\$1.1 million as at 30 June 2015 to S\$0.8 million as at 30 June 2016 as a result of lower sales during the financial year.

Goodwill of S\$0.35 million as at 30 June 2016 was due to the acquisition of Success Finance Limited completed in October 2015.

Total Liabilities (Current and Non-Current)

The Group's total liabilities increased 15.1% or S\$0.81 million from S\$5.37 million as at 30 June 2015 to S\$6.19 million as at 30 June 2016, mainly due to an increase in trade and other payables and short term borrowing, offset by a decrease in bank overdrafts.

Trade and other payables as at 30 June 2016 increased 16.3% or S\$0.72 million to S\$5.13 million from S\$4.41 million as at 30 June 2015, due to a greater number of claims certification made by waterproofing contract customers.

Bank overdraft decreased by 77.3% or S\$0.29 million to S\$0.09 million as a result of lower utilization of bank overdrafts granted to Hitchins group.

Short-term borrowings increased from Nil as at 30 June 2015 to S\$0.46 million as at 30 June 2016, mainly due to a loan undertaken by its Hong Kong subsidiary.

Equity

Shareholders' funds decreased 56.9% to S\$3.59 million as at 30 June 2016 from S\$8.32 million as at 30 June 2015. The decrease reflected higher losses recognized for the financial year and an increase in foreign currency translation loss due largely to the depreciation in Malaysia Ringgit and Hong Kong dollar vis-à-vis the Singapore Dollar.

Review of Consolidated Statement of Cash Flows

FY2016

	FY2016	FY2015
	S\$'000	S\$'000
Net cash from/(used in) operating activities	110	(1,853)
Net cash generated from investing activities	21	2,469
Net cash used in financing activities	(74)	(82)
Net increase in cash and cash equivalents	40	534
Cash and cash equivalents for the financial year	436	395

Net cash from operating activities

The Group recorded a net cash inflow from operating activities of approximately S\$0.11 million as compared to S\$1.85 million net cash outflow in the previous corresponding year mainly due to net increase of held for trading investment, inventories, trade and other receivables and trade and other payables.

Net cash used in investing activities

The Group recorded a net cash inflow from investing activities of S\$0.21 million, a decrease of S\$2.44 million, as compared to FY2015. This was mainly due to the acquisition of Success Finance Limited, a Hong Kong loan financing subsidiary in October 2015.

Net cash used in financing activities

The Group recorded a net cash outflow from financing activities of S\$0.07 million, as compared to net cash outflow of S\$0.08 million in FY2015, due mainly to net repayments of finance leases amounting to S\$0.06 million in FY2016.

Based on the above, the Group's cash and cash equivalents increased to S\$0.44 million as at 30 June 2016 from a net cash balance of S\$0.40 million as at 30 June 2015.

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

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

- 10. A commentary at the date of the announcement of the significant trends and 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 Group expects market conditions for the investment and financial industry to remain volatile for the next 12 months. Rising global economic uncertainty currently poses higher risks for both the domestic and international economies. As such, operating conditions for the Group's two business segments are expected to remain challenging. The Group will continue to focus on improving its balance sheet and implementing more stringent cost controls to mitigate the impact of this inevitable macroeconomic pressure.

In view of the proposed disposal of Hitchins International Pte Ltd, the Group will step up its efforts to finance the expansion of its micro-financing business in Success Finance Limited or through further acquisition of businesses with similar nature.

- 11. Dividend**

If a decision regarding dividend has been made:-

- (a) Whether an interim (final) dividend has been declared (recommended); and**

No dividend has been declared or recommended for FY2016.

- (b) (i) Amount per share (cents)
(Optional) Rate (%)**

Not applicable.

- (b) (ii) Previous corresponding period (cents)
(Optional) Rate (%)**

No dividend has been declared or recommended for FY2015.

- (c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated.)**

Not applicable.

- (d) The date the dividend is payable**

Not applicable.

- (e) The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.**

Not applicable.

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

No dividend has been declared or recommended for FY2016.

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

The Company does not have a general mandate from shareholders for IPTs and no IPTs of S\$100,000 and above were carried out for the financial year ended 30 June 2016.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

(A) Business Segments:

	Waterproofing		Financial Services and Investment Business		Consolidated	
	FY2016	FY2015	FY2016	FY2015	FY2016	FY2015
	S\$	S\$	S\$	S\$	S\$	S\$
REVENUE						
External sales	10,547,659	13,613,484	84,885	-	10,632,544	13,613,484
Inter-segment sales	-	-	-	-	-	-
					10,632,544	13,613,484
RESULTS						
Segment results						
Continuing operations	(84,110)	1,327,288	(3,697,341)	(61,316)	(3,781,451)	1,265,972
Unallocated Corporate expenses					(803,055)	(599,221)
Interest expense					(70,385)	(188,469)
Interest income					10,927	11,835
(Loss)/Profit before income tax					(4,643,963)	490,118
Income tax (expense)/credit					(23,356)	87,678
(Loss)/Profit for the year					(4,667,319)	577,796
BALANCE SHEET						
Segment assets	8,191,437	8,993,820	1,512,698	4,657,254	9,704,135	13,651,074
Unallocated assets					81,158	45,731
					9,785,293	13,696,805
Segment liabilities	4,872,802	4,392,164	1,308,171	816,246	6,180,973	5,208,410
Income tax payable					-	164,582
Deferred tax liabilities					5,354	978
					6,186,327	5,373,970
OTHER INFORMATION						
Capital expenditure	84,202	241,740	-	-	84,202	241,740
Depreciation and amortisation	134,839	100,072	7,360	31,417	142,199	131,489
Allowances for doubtful debts	40,608	108,516	106,355	-	146,963	108,516
Allowances for stock obsolescence	-	13,983	-	-	-	13,983
Inventory written off	2,211	42,394	-	-	2,211	42,394
Allowances for doubtful debts written back	-	(10,737)	-	-	-	(10,737)
Provision for foreseeable losses	(2,258)	-	-	-	(2,258)	(84,567)
Net loss on held-for-trading investments	-	-	2,725,799	531,776	2,725,799	531,776
Net gain on available-for-sale investments	-	-	-	(1,271,210)	-	(1,271,210)

(B) Geographical Segments:

The Group's revenue from external customers are based on location of customers and information about the segment assets are based on geographical area in which the assets are located.

	Revenue		Non- Current assets	
	FY2016	FY2015	FY2016	FY2015
	S\$	S\$	S\$	S\$
Singapore	8,090,843	9,250,561	210,720	196,770
Malaysia	1,648,470	2,609,156	160,800	203,447
People's Republic of China	808,355	733,088	168,823	218,767
Hong Kong	84,876	-	354,146	9,401
Indian sub-continent	-	472,937	-	-
Others	-	547,742	-	-
	10,632,544	13,613,484	894,489	628,385

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

As disclosed in paragraph 8 above.

17. A breakdown of sales

	FY2016	FY2015	Increase / (Decrease)
	S\$	S\$	%
Sales reported for first half year	5,930,117	6,566,907	(9.7)
Operating (loss)/profit after tax and before deducting minority interests reported for the first half year	(1,172,367)	201,529	(681.7)
Sales reported for second half year	4,702,427	7,046,577	(33.3)
Operating (loss)/ profit after tax and before deducting minority interests reported for the second half year	(3,494,952)	376,267	1,028.8

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

Not applicable.

19. Disclosure of person occupying a managerial position in the issuer or any of its principals subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement

The Board of Directors confirms that there is no person occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a director, executive officer or substantial shareholder of the Company as at the date of this announcement.

20. 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 undertakings from all of its directors and executive officers in the required format.

BY ORDER OF THE BOARD

So Yuen Chun
Executive Director

29 August 2016