



TA CORPORATION LTD  
(Company Registration No. 201105512R)

**Unaudited Third Quarter and 9 months Financial Statements and Dividend Announcement for the Period Ended 30.09.2017**

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

**1(a)(i) A Statement of Comprehensive Income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Notes	GROUP					
		3 months ended			9 months ended		
		30.09.2017 S\$'000	30.09.2016 S\$'000	Change %	30.09.2017 S\$'000	30.09.2016 S\$'000	Change %
<b>Revenue</b>		51,139	50,125	2.0	158,958	138,487	14.8
Cost of sales		(41,833)	(40,886)	2.3	(129,205)	(112,582)	14.8
<b>Gross profit</b>		9,306	9,239	0.7	29,753	25,905	14.9
Other income	1	1,119	669	67.3	2,946	2,750	7.1
Selling and distribution costs	2	(364)	(338)	7.7	(1,655)	(757)	118.6
General and administrative expenses		(4,660)	(4,434)	5.1	(13,803)	(14,111)	(2.2)
Other operating expenses	3	(8,190)	(17,339)	(52.8)	(30,199)	(23,614)	27.9
Share of (loss) profit, net of tax of associates and joint ventures	4	(66)	(234)	(71.8)	(184)	3,595	NM
Finance costs		(2,696)	(2,383)	13.1	(7,652)	(8,083)	(5.3)
<b>Loss before income tax</b>	5	(5,551)	(14,820)	(62.5)	(20,794)	(14,315)	(45.3)
Income tax expense		(311)	(739)	(57.9)	(725)	(1,538)	(52.9)
<b>Loss after income tax</b>		(5,862)	(15,559)	(62.3)	(21,519)	(15,853)	35.7
Other comprehensive (loss) income:							
Exchange differences on translation of foreign operations		(640)	523	NM	(2,311)	(1,185)	95.0
<b>Total comprehensive loss for the period</b>		(6,502)	(15,036)	NM	(23,830)	(17,038)	39.9
Loss attributable to:							
Owners of the Company		(4,234)	(9,989)	(57.6)	(15,160)	(9,823)	54.3
Non-controlling interests		(1,628)	(5,570)	(70.8)	(6,359)	(6,030)	5.5
		(5,862)	(15,559)	(62.3)	(21,519)	(15,853)	35.7
Total comprehensive loss attributable to:							
Owners of the Company		(4,748)	(9,594)	(50.5)	(16,868)	(10,460)	61.3
Non-controlling interests		(1,754)	(5,442)	(67.8)	(6,962)	(6,578)	5.8
		(6,502)	(15,036)	(56.8)	(23,830)	(17,038)	39.9
NM = Not meaningful							

## 1(a)(ii) Notes to Statement of Comprehensive Income

### 1. Other income

	Group			
	3 months ended		9 months ended	
	30.09.2017 S\$'000	30.09.2016 S\$'000	30.09.2017 S\$'000	30.09.2016 S\$'000
Rental income	255	74	671	373
Management fee	139	118	385	358
Interest income	272	403	728	1,185
Grant from government	251	15	391	417
Gain on disposal of property, plant and equipment	2	42	24	42
Others	200	17	747	375
	1,119	669	2,946	2,750

### 2. Selling and distribution costs

Selling and distribution costs increased by S\$0.9 million to S\$1.7 million for the nine months ended 30 September 2017 ("9M2017") compared to the same corresponding period ("9M2016") due mainly to show-flat costs expensed off in current period.

### 3. Other operating expenses

For the 3 months ended 30 September 2017 ("3Q2017"), the other operating expenses amounted to S\$8.2 million, a decrease of S\$9.1 million compared to S\$17.3 million in the same comparative period ("3Q2016") mainly due to lower loss in fair value of investment properties.

Other operating expenses increased by S\$6.6 million to S\$30.2 million for 9M2017 compared to S\$23.6 million for 9M2016. These were mainly due to higher loss in fair value of investment properties, mainly on Tuas South Dormitory and allowance for doubtful receivables in 9M2017 as compared to 9M2016.

### 4. Share of loss, net of tax of associates and joint ventures

The share of loss, net of tax of associates and joint ventures of S\$0.2 million for 9M2017 compared to share of profits net of tax, of S\$3.6 million for 9M2016 was due mainly to lower share of profit from an associate which developed The Skywoods which was completed in 2016.

### 5. Loss before income tax

Loss before income tax for the period is stated after charging/ (crediting) the following:

	Group			
	3 months ended		9 months ended	
	30.09.2017 S\$'000	30.09.2016 S\$'000	30.09.2017 S\$'000	30.09.2016 S\$'000
Allowance for doubtful receivables, net	591	1,076	2,770	963
Allowance for obsolete inventories	-	94	-	94
(Reversal of) impairment loss on other non-current assets	(27)	11	(117)	(6)
Depreciation expense	1,246	939	3,425	3,341
Fair value change in derivative financial instrument	(2)	65	85	717
Gain on disposal of property, plant and equipment, net	(2)	(42)	(24)	(42)
Loss in fair value of investment properties	5,217	13,600	20,387	13,700
Impairment loss on development properties, net	-	600	-	2,000
Interest income	(272)	(403)	(728)	(1,185)
(Over) Under provision of income tax in prior years	-	284	(46)	382

**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.**

	<b>Group</b>		<b>Company</b>	
	<b>30.09.2017</b>	<b>31.12.2016</b>	<b>30.09.2017</b>	<b>31.12.2016</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	74,477	91,538	9,390	13,779
Trade and other receivables	108,560	92,402	1,576	6,022
Deposits and prepayments	2,935	4,036	25	15
Inventories	6,188	7,593	-	-
Development properties	175,179	183,871	-	-
<b>Total current assets</b>	<b>367,339</b>	<b>379,440</b>	<b>10,991</b>	<b>19,816</b>
<b>Non-current assets</b>				
Property, plant and equipment	54,073	48,879	-	-
Investment properties	241,798	253,385	-	-
Subsidiaries	-	-	116,965	116,965
Goodwill	2,595	2,595	-	-
Associates and joint ventures	16,108	14,619	-	-
Trade and other receivables	27,545	25,139	90,660	85,652
Other non-current assets	413	296	-	-
Derivative financial instrument	6	91	-	-
<b>Total non-current assets</b>	<b>342,538</b>	<b>345,004</b>	<b>207,625</b>	<b>202,617</b>
<b>Total assets</b>	<b>709,877</b>	<b>724,444</b>	<b>218,616</b>	<b>222,433</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Borrowings	127,190	131,184	5,000	5,000
Trade and other payables	118,194	107,697	245	902
Current portion of finance leases	393	343	-	-
Term notes	39,912	-	39,912	-
Income tax payable	1,623	1,514	-	-
<b>Total current liabilities</b>	<b>287,312</b>	<b>240,738</b>	<b>45,157</b>	<b>5,902</b>
<b>Non-current liabilities</b>				
Borrowings	198,330	193,660	22,500	25,000
Trade and other payables	37,520	38,849	-	-
Finance leases	549	472	-	-
Term notes	-	39,778	-	39,778
Deferred tax liabilities	294	315	-	-
<b>Total non-current liabilities</b>	<b>236,693</b>	<b>273,074</b>	<b>22,500</b>	<b>64,778</b>
<b>Capital, reserves and non-controlling interests</b>				
Share capital	150,391	146,157	150,391	146,157
Reserves	675	644	31	-
Translation reserve	471	2,179	-	-
Retained earnings	41,058	61,041	537	5,596
Equity attributable to owners of the Company	192,595	210,021	150,959	151,753
Non-controlling interests	(6,723)	611	-	-
<b>Total equity</b>	<b>185,872</b>	<b>210,632</b>	<b>150,959</b>	<b>151,753</b>
<b>Total liabilities and equity</b>	<b>709,877</b>	<b>724,444</b>	<b>218,616</b>	<b>222,433</b>

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

	As at 30.09.2017		As at 31.12.2016	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	123,318	44,177	122,565	8,962
Amount repayable after one year	198,294	585	193,412	40,498
Total	321,612	44,762	315,977	49,460

**Details of any collateral**

Collateral for the above secured borrowings include mortgages over the Group's investment properties, development properties, leasehold properties, certain property, plant and equipment and fixed deposits. The bank facilities are also secured by corporate guarantees from the Company and certain of these facilities are also secured by guarantees from certain minority shareholders of partially-owned subsidiaries.

**1(c) A Consolidated Statement of Cash Flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group			
	3 months ended		9 months ended	
	30.09.2017 S\$'000	30.09.2016 S\$'000	30.09.2017 S\$'000	30.09.2016 S\$'000
<b>Operating activities</b>				
Loss before income tax	(5,551)	(14,820)	(20,794)	(14,315)
Adjustments for:				
Depreciation expense	1,246	939	3,425	3,341
Interest income	(272)	(403)	(728)	(1,185)
Interest expense	2,696	2,383	7,652	8,083
Fair value change in derivative financial instrument	(2)	65	85	717
Share of loss (profit) of associates and joint ventures	66	234	184	(3,595)
Gain on disposal of property, plant and equipment, net	(2)	(42)	(24)	(42)
Negative goodwill arising from acquisition of a subsidiary	-	-	(10)	-
(Reversal of) impairment loss on other non-current assets	(27)	11	(117)	(6)
Loss in fair value of investment properties	5,217	13,600	20,387	13,700
Impairment loss on development properties, net	-	600	-	2,000
Allowance for obsolete inventories	-	94	-	94
Allowance for doubtful trade and other receivables, net	591	1,076	2,770	963
Operating cash flows before movements in working capital	3,962	3,737	12,830	9,755
Trade and other receivables	(4,960)	(3,787)	(18,621)	32,115
Deposits and prepayments	(107)	137	1,100	(104)
Inventories	(20)	(1,318)	1,137	(2,240)
Development properties	(5,941)	(2,823)	11,063	(5,219)
Trade and other payables	9,428	(132)	6,873	(11,036)
Cash generated from (used in ) operations	2,362	(4,186)	14,382	23,271
Income tax paid	(215)	(4,187)	(639)	(8,642)
Interest paid	(3,641)	(4,351)	(10,024)	(12,020)
Net cash (used in) from operating activities	(1,494)	(12,724)	3,719	2,609

	<b>Group</b>			
	<b>3 months ended</b>		<b>9 months ended</b>	
	<b>30.09.2017</b>	<b>30.09.2016</b>	<b>30.09.2017</b>	<b>30.09.2016</b>
	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>	<b>S\$'000</b>
<b>Investing activities</b>				
(Advances to) Repayment from associates and joint ventures	(1,313)	47,941	(4,602)	42,128
Additional investment in associates and joint ventures	-	(4)	(2,100)	(1,265)
Addition to investment properties	-	2,797	-	(783)
Acquisition of a subsidiary	-	-	(1,342)	-
Interest received	272	403	728	1,185
Purchase of property, plant and equipment	(1,417)	(2,259)	(8,142)	(6,546)
Premium paid for derivative financial instrument	-	(310)	-	(310)
Proceeds from disposal of property, plant and equipment	21	42	103	43
Net cash (used in) from investing activities	(2,437)	48,610	(15,355)	34,452
<b>Financing activities</b>				
Proceeds from term notes, net	-	-	-	39,645
Proceeds from borrowings	10,718	7,337	36,391	43,386
Repayment of borrowings	(9,392)	(19,138)	(40,731)	(74,039)
Repayment of obligations under finance leases	(184)	(92)	(401)	(243)
Proceeds from issue of shares in subsidiaries to non-controlling shareholders	-	-	-	264
Proceeds from warrants issued, net	-	-	31	-
Pledged fixed deposits	10	193	(1,150)	(1,274)
Distribution of funds to non-controlling shareholder on voluntary liquidation of a subsidiary	-	-	(307)	-
Dividends paid to non-controlling shareholders	-	(240)	(65)	(240)
Dividends paid	-	-	(589)	(678)
Net cash from (used in) financing activities	1,152	(11,940)	(6,821)	6,821
(Decrease) Increase in cash and cash equivalents	(2,779)	23,946	(18,457)	43,882
Cash and cash equivalents at beginning of the period	71,605	95,517	87,110	75,796
Effect of exchange rate changes	73	300	246	85
<b>Cash and cash equivalents at end of the period</b>	<b>68,899</b>	<b>119,763</b>	<b>68,899</b>	<b>119,763</b>

Cash and cash equivalents at end of the period comprise the following:

Cash and bank balances	52,238	89,569	52,238	89,569
Fixed deposits	22,239	34,558	22,239	34,558
	74,477	124,127	74,477	124,127
Less: pledged fixed deposits	(5,578)	(4,364)	(5,578)	(4,364)
Cash and cash equivalents at end of the period	68,899	119,763	68,899	119,763

**1(d)(i) A Statement of Changes in Equity (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.**

<u>Group (S\$'000)</u>	<u>Share capital</u>	<u>Reserves</u>	<u>Translation reserve</u>	<u>Retained earnings</u>	<u>Equity attributable to owners of the Company</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
Balance at January 1, 2016	142,185	644	1,195	72,295	216,319	8,538	224,857
<i>Total comprehensive loss for the year</i>							
Loss for the year	-	-	-	(6,668)	(6,668)	(7,885)	(14,553)
Other comprehensive income for the year	-	-	984	-	984	(2)	982
Total	-	-	984	(6,668)	(5,684)	(7,887)	(13,571)
<i>Transactions with owners, recognised directly in equity</i>							
Proceed from issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	264	264
Effect of deemed disposal to non-controlling interest in a subsidiary	-	-	-	64	64	(64)	-
Issue of shares pursuant to scrip dividend scheme	3,972	-	-	-	3,972	-	3,972
Dividends paid							
- in cash	-	-	-	(678)	(678)	-	(678)
- in scrip	-	-	-	(3,972)	(3,972)	-	(3,972)
Dividends paid to non-controlling shareholders	-	-	-	-	-	(240)	(240)
Total	3,972	-	-	(4,586)	(614)	(40)	(654)
Balance at December 31, 2016	146,157	644	2,179	61,041	210,021	611	210,632
<i>Total comprehensive loss for the period</i>							
Loss for the period	-	-	-	(15,160)	(15,160)	(6,359)	(21,519)
Other comprehensive loss for the period	-	-	(1,708)	-	(1,708)	(603)	(2,311)
Total	-	-	(1,708)	(15,160)	(16,868)	(6,962)	(23,830)
<i>Transactions with owners, recognised directly in equity</i>							
Effect of liquidation to non-controlling interest in a subsidiary	-	-	-	-	-	(307)	(307)
Issue of warrants	-	362	-	-	362	-	362
Warrants issue expenses	-	(331)	-	-	(331)	-	(331)
Issue of shares pursuant to scrip dividend scheme	4,234	-	-	-	4,234	-	4,234
Dividends paid							
- in cash	-	-	-	(589)	(589)	-	(589)
- in scrip	-	-	-	(4,234)	(4,234)	-	(4,234)
Dividends paid to non-controlling shareholders	-	-	-	-	-	(65)	(65)
Total	4,234	31	-	(4,823)	(558)	(372)	(930)
Balance at September 30, 2017	150,391	675	471	41,058	192,595	(6,723)	185,872

<u>Company (S\$'000)</u>	<u>Share capital</u>	<u>Reserves</u>	<u>Retained earnings</u>	<u>Total equity</u>
Balance at January 1, 2016	142,185	-	5,540	147,725
Total comprehensive income for the year	-	-	4,706	4,706
Issue of shares pursuant to scrip dividend scheme	3,972	-	-	3,972
Dividends paid				
- in cash	-	-	(678)	(678)
- in scrip	-	-	(3,972)	(3,972)
Balance at December 31, 2016	146,157	-	5,596	151,753
Total comprehensive loss for the period	-	-	(236)	(236)
Issue of warrants	-	362	-	362
Warrants issue expenses	-	(331)	-	(331)
Issue of shares pursuant to scrip dividend scheme	4,234	-	-	4,234
Dividends paid				
- in cash	-	-	(589)	(589)
- in scrip	-	-	(4,234)	(4,234)
Balance at September 30, 2017	150,391	31	537	150,959

**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.**

	9M2017		9M2016	
	No of shares	S\$'000	No of shares	S\$'000
<b>Issue and paid up capital</b>				
As at beginning of financial period	482,270,359	146,157	465,000,000	142,185
Issue of shares pursuant to scrip dividend scheme	17,713,451	4,234	17,270,359	3,972
At 30 September	499,983,810	150,391	482,270,359	146,157

There are no changes in the Company's issued share capital for the three months ended 30 September 2017.

On 23 May 2017, the Company has issued 120,567,589 warrants which were allotted on 24 May 2017, with each warrant carrying the right to subscribe for one new ordinary share in the capital of the Company at an exercise price of S\$0.28 for each new share. These warrants will expire on 20 May 2022. The total number of outstanding warrants as at 30 September 2017 was 120,567,589.

As at the end of 30 September 2017, the Company does not have any outstanding treasury shares (30 September 2016: 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 financial year.**

The total number of shares at 30 September 2017 was 499,983,810 (31 December 2016: 482,270,359). The Company has no treasury shares.

**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.

**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 by the Company's auditors.

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

As disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as compared with those used in the audited financial statements for the year ended 31 December 2016.

**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 effects of, the change.**

Not applicable.

**6 Loss 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			
	3 months ended		9 months ended	
	30.09.2017	30.09.2016	30.09.2017	30.09.2016
(i) Loss per ordinary share based on weighted average number of shares (in cents)	(0.8)	(2.1)	(3.1)	(2.1)
(ii) Loss per ordinary share based on a fully diluted basis (in cents)	(0.8)	(2.1)	(3.1)	(2.1)
Weighted average number of ordinary shares (in millions)	500.0	482.3	490.1	472.7

As there were no outstanding potentially dilutive ordinary shares, the diluted earnings per ordinary shares were the same as the earnings per ordinary shares based on the weighted average number of shares for the respective periods.

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

	Group		Company	
	30.09.2017	31.12.2016	30.09.2017	31.12.2016
Net asset value per ordinary share issued (in cents)	38.5	43.5	30.2	31.5
Total number of issued shares at end of the financial period (in millions)	500.0	482.3	500.0	482.3

There were no treasury shares at the end of the respective financial periods.



- 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.**

### **Review of Group performance**

#### **3Q2017 vs 3Q2016**

For the quarter under review, the Group's revenue has increased by a marginal 2.0% from S\$50.1 million in 3Q2016 to S\$51.1 million in 3Q2017. In line with higher revenue, the gross profit increased 0.7% from S\$9.2 million in 3Q2016 to S\$9.3 million in 3Q2017.

The Group reported a loss before income tax of S\$5.6 million in 3Q2017, a decrease of S\$9.2 million compared to S\$14.8 million in 3Q2016 mainly due to lower impairment loss on investment properties of S\$5.2 million in 3Q2017 compared to S\$13.6 million in 3Q2016.

#### **9M2017 vs 9M2016**

The Group's revenue for 9M2017 was S\$159.0 million, an increase of S\$20.5 million compared to S\$138.5 million for the corresponding period in 9M2016.

Real estate development segment recorded S\$27.3 million revenue for 9M2017, an increase of S\$2.9 million compared to S\$24.4 million for 9M2016. The increase was mainly due to revenue from units sold in Terra Villa, Ascent@456 and The Cristallo, partially offset by the lower revenue from project in Thailand.

Real estate investment segment recorded S\$11.6 million revenue for 9M2017, an increase of S\$6.8 million compared to S\$4.8 million for 9M2016 due mainly to higher occupancy rate from Tuas South Dormitory in 9M2017 compared to 9M2016 as the dormitory only obtained TOP for its second phase development in May 2016.

Construction segment recorded revenue of S\$102.8 million for 9M2017, an increase of S\$6.3 million compared to S\$96.5 million for 9M2016 due to higher amounts of progressive construction work for projects.

Distribution of lubricants and tyres generated S\$17.3 million revenue for 9M2017, an increase of S\$4.5 million from S\$12.8 million in 9M2016. The increase was mainly due to higher contribution from our distribution business in Myanmar.

In line with higher revenue, gross profit increased by 14.9% to S\$29.8 million for 9M2017 compared to S\$25.9 million for 9M2016.

Selling and distribution costs increased by S\$0.9 million to S\$1.7 million for 9M2017 compared to S\$0.8 million for 9M2016 due mainly to show-flat costs expensed off in current period.

Other operating expenses increased by S\$6.6 million to S\$30.2 million for 9M2017 compared to S\$23.6 million for 9M2016. These were mainly due to higher loss in fair value of investment properties, mainly on Tuas South Dormitory and allowance for doubtful receivables in 9M2017 as compared to 9M2016.

The Group recorded a loss before tax of S\$20.8 million in 9M2017 compared to S\$14.3 million in 9M2016. Income tax expense is higher than the statutory tax rate as loss in fair value of S\$20.4 million on investment properties and certain expenses are not tax deductible.

## **Review of working capital, assets and liabilities**

The changes in assets and liabilities are as follows:

- i) increase in trade and other receivables by S\$16.2 million was mainly due to remaining sales consideration not due for collection on completed development properties sold, higher contract work-in-progress yet to be billed and advance to joint ventures.
- ii) decrease in deposits and prepayment by S\$1.1 million was mainly due to show-flat costs expensed off upon launch of the project.
- iii) increase in trade and other payables by S\$10.5 million was mainly due to progress payment received from sold units of development project in Cambodia, The Gateway which revenue is recognised on completion of contract basis.

Cash and cash equivalents decreased by S\$18.5 million in 9M2017 mainly attributed to net cash outflow in investing and financing activities of S\$15.4 million and S\$6.8 million respectively, partially offset by S\$3.7 million of net cash from operating activities.

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

The company has not made any forecast or prospect statement for the period ended 30 September 2017 previously.

### **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 Urban Redevelopment Authority (“URA”) reported in its 3rd Quarter 2017 real estate statistics dated 27 October 2017 that prices of private residential properties increased by 0.7% in 3rd Quarter 2017, compared with the 0.1% price decline in the previous quarter.

The Group’s Tuas South Dormitory, which started operation in 2016, continues to be impacted by the sluggish business environment of its customers. In these challenging market conditions, the Group will continue its effort to increase the rental and occupancy rates in its dormitories.

The construction sector for private residential construction continues to be challenging. Despite the current challenging conditions, the Group remains confident of its construction segment’s performance underpinned by our order book of S\$96 million as at 30 September 2017, to be delivered progressively over the next year as well as continued efforts to increase productivity and manage costs.

The Group will continue to remain focused and cautious while on the lookout for business opportunities both locally and overseas.

### **11 Dividend**

#### **(a) Current Financial Period Reported On**

- (i) Any dividend declared for the current financial period reported on? No.
- (ii) Any dividend recommended 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? No.

#### **(c) Date payable**

Not applicable.

**(d) Books closure date**

Not applicable.

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

No dividend has been declared or recommended in the current financial period.

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

The Group has not obtained a general mandate for interested person transactions. During the period, the following interested person transactions were entered into by the Group:

Name of Interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Listing Manual Rule 920 )		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Listing Manual Rule 920 (excluding transactions less than S\$100,000)	
	3 months ended 30 September 2017	9 months ended 30 September 2017	3 months ended 30 September 2017	9 months ended 30 September 2017
	S\$'000	S\$'000	S\$'000	S\$'000
Prestige Resources Pte Ltd	92	244	N.A.	N.A.
TAC Alliance Pte. Ltd.	58	153	N.A.	N.A.

**14 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual**

We confirm that the Company has procured undertakings from all its directors and the executive officer based on the latest revised format set out in Appendix 7.7.

**15 Confirmation pursuant to Rule 705(5) of the Listing Manual**

We confirm on behalf of the Board of Directors, that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited third quarter financial results of the Group and the Company for the period ended 30 September 2017 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Liong Kiam Teck  
Executive Chairman

Neo Tiam Boon  
Chief Executive Officer and Director

**BY ORDER OF THE BOARD**

Foo Soon Soo/ Yap Ming Choo  
Company Secretaries

9 November 2017