



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 2015

28 August 2015

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TABLE OF CONTENTS

	<u>PAGE</u>
1. CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME.....	2
2. STATEMENT OF FINANCIAL POSITION.....	4
3. GROUP'S BORROWINGS AND DEBT SECURITIES.....	5
4. CONSOLIDATED STATEMENT OF CASH FLOWS.....	6
5. STATEMENT OF CHANGES IN EQUITY.....	8
6. SHARE CAPITAL.....	8
7. AUDIT.....	9
8. BASIS OF PREPARATION.....	9
9. CHANGES IN ACCOUNTING POLICIES.....	9
10. EARNINGS PER ORDINARY SHARE.....	10
11. NET ASSET VALUE PER ORDINARY SHARE.....	11
12. REVIEW OF GROUP PERFORMANCE.....	11
13. PROSPECT STATEMENT.....	16
14. OUTLOOK.....	16
15. DIVIDEND.....	17
16. INTERESTED PERSON TRANSACTIONS.....	18
17. USAGE OF PROCEEDS.....	18
18. REVIEW OF SEGMENT PERFORMANCE.....	19

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 2015

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.

	Note	Group		+ / -	Group		+ / -
		Fourth Quarter Ended			Full Year Ended		
		30-Jun-15	30-Jun-14		30-Jun-15	30-Jun-14	
		S\$	S\$	%	S\$	S\$	%
Revenue		3,201,820	2,296,322	39.4	13,528,917	10,938,672	23.7
Cost of Sales		(2,002,572)	(2,084,849)	(3.9)	(9,334,967)	(8,526,043)	9.5
Gross Profit		1,199,248	211,473	467.1	4,193,950	2,412,629	73.8
Other Income	i	1,111,929	681,448	63.2	3,051,555	4,783,586	(36.2)
Distribution Expenses		(202,110)	(237,169)	(14.8)	(864,071)	(826,894)	4.5
Administrative Expenses		(914,634)	(899,866)	1.6	(3,612,214)	(3,792,377)	(4.8)
Other Expenses	ii	(426,391)	(232,441)	83.4	(721,462)	(1,087,912)	(33.7)
Finance Cost		(28,906)	(35,312)	(18.1)	(188,469)	(119,147)	58.2
Profit/(Loss) before Income Tax	iii	739,136	(511,867)	244.4	1,859,289	1,369,885	35.7
Income Tax Credit		127,930	158,869	(19.5)	99,480	86,807	14.6
Profit/(Loss) for the Period/Year		867,066	(352,998)	345.6	1,958,769	1,456,692	34.5
Other Comprehensive (Loss)/Income:							
Currency translation differences arising from consolidation		158,039	102,938	53.5	(1,376,229)	88,006	(1,663.8)
Available-for-sale investments:							
- Fair value gain/(loss)		8,315	(413,055)	102.0	(373,370)	891,460	(141.9)
- Reclassification		(185,639)	(136,832)	35.7	(1,079,388)	(1,886,558)	(42.8)
Other comprehensive loss for the period, net of tax		(19,285)	(446,949)	(95.7)	(2,828,987)	(907,092)	211.9
Total Comprehensive Income/(Loss) for the Period/Year		847,781	(799,947)	206.0	(870,218)	549,600	(258.3)
Profit/(Loss) for the Period/Year Attributable to Owners of the Company		867,066	(352,998)	345.6	1,958,769	1,456,692	34.5
Total Comprehensive Income/(Loss) Attributable to Owners of the Company		847,781	(799,947)	206.0	(870,218)	549,600	(258.3)

1(a)(i) Other income includes the following:

	<u>Group</u>		<u>Group</u>	
	<u>Fourth Quarter Ended</u>		<u>Full Year Ended</u>	
	<u>30-Jun-15</u>	<u>30-Jun-14</u>	<u>30-Jun-15</u>	<u>30-Jun-14</u>
	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
Allowance for doubtful debts written back	146	12,720	10,737	21,231
Bad debts recovered	7,273	12,015	14,237	-
Fair value gain on held-for-trading investments	711,442	237,590	-	-
Foreign exchange translation gain	-	-	1,519,073	-
Gain on disposal of held-for-trading investments	141,923	148,690	-	574,576
Gain on disposal of other financial assets at fair value through profit or loss	-	-	-	1,843,447
Gain on disposal of available-for-sale investments	1,131	-	191,822	183,309
Gain on disposal of property, plant and equipment	-	1,694	83,328	12,801
Government grants/subsidies	23,376	-	37,014	-
Interest income	11,216	10,718	11,835	11,382
Realised gain on available-for-sale investments	185,639	136,832	1,079,388	1,886,558
Sundry income	29,783	121,189	104,121	250,282
	<u>1,111,929</u>	<u>681,448</u>	<u>3,051,555</u>	<u>4,783,586</u>

1(a)(ii) Other expenses include the following:

	<u>Group</u>		<u>Group</u>	
	<u>Fourth Quarter Ended</u>		<u>Full Year Ended</u>	
	<u>30-Jun-15</u>	<u>30-Jun-14</u>	<u>30-Jun-15</u>	<u>30-Jun-14</u>
	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
Allowances for doubtful debts	108,516	93,288	108,516	141,813
Bad debts written off	375	407	1,247	3,491
Fair value loss on held-for-trading investments	-	-	423,813	562,710
Foreign exchange translation loss	273,787	117,858	-	320,471
Inventory written off	15,804	-	36,779	-
Loss on disposal of held-for-trading investments	-	-	107,963	-
Loss on disposal of available-for-sale investments	-	9,442	-	-
Provision for stock obsolescence	13,265	-	13,265	-
Sundry expense	14,644	11,446	29,879	59,427
	<u>426,391</u>	<u>232,441</u>	<u>721,462</u>	<u>1,087,912</u>

1(a)(iii) Profit before income tax is arrived at after charging the following:

	<u>Group</u>		<u>Group</u>	
	<u>Fourth Quarter Ended</u>		<u>Full Year Ended</u>	
	<u>30-Jun-15</u>	<u>30-Jun-14</u>	<u>30-Jun-15</u>	<u>30-Jun-14</u>
	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>	<u>S\$</u>
Amortisation of intangible assets	197	197	788	788
Depreciation of property, plant and equipment	37,005	27,759	130,702	133,547

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.

	<u>Group</u>		<u>Company</u>	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
	S\$	S\$	S\$	S\$
ASSETS				
Non-current assets:				
Property, plant and equipment	624,882	512,955	999	2,361
Intangible assets	3,503	4,291	-	-
Subsidiaries	-	-	963,340	963,340
Associates	-	-	-	-
Deferred tax assets	19,960	121,396	-	-
Total non-current assets	648,345	638,642	964,339	965,701
Current assets:				
Inventories	1,097,979	1,119,252	-	-
Gross amount due from contract customers	233,941	662,780	-	-
Trade and other receivables	6,160,086	5,506,976	327,136	941,925
Held-for-trading investments	3,998,810	5,109,110	-	-
Available-for-sale investments	15,706	2,665,564	-	-
Cash and bank balances	1,513,478	1,192,947	24,761	3,505
Total current assets	13,020,000	16,256,629	351,897	945,430
Total assets	13,668,345	16,895,271	1,316,236	1,911,131
LIABILITIES AND EQUITY				
Current liabilities:				
Trade and other payables	4,735,897	6,171,988	602,836	587,824
Gross amount due to contract customers	89,654	502,372	-	-
Lease obligations	52,657	76,308	-	-
Bank overdrafts	376,634	577,722	-	-
Income tax payable	161,489	459,948	-	-
Total current liabilities	5,416,331	7,788,338	602,836	587,824
Non-current liabilities:				
Lease obligations	61,493	44,972	-	-
Deferred tax liabilities	978	2,200	-	-
Total non-current liabilities	62,471	47,172	-	-
Capital and reserves:				
Share capital	40,310,404	40,310,404	40,310,404	40,310,404
Statutory reserve	346,410	346,410	-	-
Foreign currency translation reserves	(2,283,212)	(906,983)	-	-
Fair value reserve	15,706	1,468,464	-	-
Reserve on put option	49,247	49,247	-	-
Accumulated losses	(30,249,012)	(32,207,781)	(39,597,004)	(38,987,097)
Total equity	8,189,543	9,059,761	713,400	1,323,307
Total liabilities and equity	13,668,345	16,895,271	1,316,236	1,911,131
Working capital	7,603,669	8,468,291		
Total borrowings	490,784	699,002		
Gross gearing (times)*	0.06	0.08		
Net borrowings**	(1,022,694)	(493,945)		
Net gearing (times)*	(0.12)	(0.05)		

*Gross gearing = total borrowings/total equity; Net gearing = net borrowings/total equity

**Net borrowings = total borrowings - cash and bank balances

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 2015		As at 30 June 2014	
S\$		S\$	
Secured	Unsecured	Secured	Unsecured
429,291	-	654,030	-

Amount repayable after one year

As at 30 June 2015		As at 30 June 2014	
S\$		S\$	
Secured	Unsecured	Secured	Unsecured
61,493	-	44,972	-

Details of any collaterals

The Group's secured borrowings comprise bank overdrafts and finance leases.

The bank overdrafts are secured on:

- (i) fixed deposits pledged; and
- (ii) corporate guarantees of the Company.

The finance leases are secured on the plant and equipment. The net book value of these plant and equipment as at 30 June 2015 is S\$229,461 (30 June 2014: S\$164,101).

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		Group	
	<u>Fourth Quarter Ended</u>		<u>Full Year Ended</u>	
	<u>30-Jun-15</u>	<u>30-Jun-14</u>	<u>30-Jun-15</u>	<u>30-Jun-14</u>
	S\$	S\$	S\$	S\$
Cash flows from operating activities:				
Profit/(Loss) before tax	739,136	(511,867)	1,859,289	1,369,885
Adjustments for:				
Amortisation of intangible assets	197	197	788	788
Allowances for doubtful debts written back	(146)	(12,720)	(10,737)	(21,231)
Allowances for doubtful debts	108,516	93,288	108,516	141,813
Bad debts written off	375	407	1,247	3,491
Bad debts recovered	(7,273)	(12,015)	(14,237)	-
Depreciation of property, plant and equipment	37,005	27,759	130,702	133,547
Fair value (gain)/loss on held-for-trading investments	(711,442)	(237,590)	423,813	562,710
Foreign exchange (gain)/loss	(244,502)	122,019	(295,593)	204,957
Interest expense	28,906	35,312	188,469	119,147
Interest income	(11,216)	(10,718)	(11,835)	(11,382)
Inventory written off	15,804	-	36,779	-
(Gain)/Loss on disposal of held-for-trading investments	(141,923)	(148,690)	107,963	(574,576)
(Gain)/Loss on disposal of other financial assets at fair value through profit or loss	-	-	-	(1,843,447)
(Gain)/Loss on disposal of available-for-sale investment	(1,131)	9,442	(191,822)	(183,309)
Gain on disposal of property, plant and equipment	-	(1,694)	(83,328)	(12,801)
Provision/(Reversal) for warranties	30,000	(84,213)	60,000	17,987
Provision for obsolete stocks	13,265	-	13,265	-
Realised gain on available-for-sale investment	(185,639)	(136,832)	(1,079,388)	(1,886,558)
Provision for foreseeable loss on construction contracts	-	130,757	-	130,757
Operating (loss)/gain before working capital changes	(330,068)	(737,158)	1,243,891	(1,848,222)
Trade and other receivables	100,790	(191,928)	(841,497)	(217,848)
Amount due from/to contract customers	(376,504)	418,940	(7,519)	199,027
Inventories	(86,239)	(153,315)	(19,836)	(186,318)
Net decrease/(increase) in held-for-trading investments	1,411,207	(559,431)	944,737	(4,363,407)
Trade and other payables	(2,609,793)	957,309	(2,919,859)	1,970,022
Cash used in operations	(1,890,607)	(265,583)	(1,600,083)	(4,446,746)
Interest paid	(28,906)	(35,312)	(188,469)	(119,147)
Income tax paid	(10,822)	(8,011)	(64,489)	(60,352)
Net cash used in operating activities	(1,930,335)	(308,906)	(1,853,041)	(4,626,245)
Cash flows from investing activities:				
Interest received	11,216	10,718	11,835	11,382
Proceeds from disposal of property, plant and equipment	19,000	1,694	99,299	17,392
Proceeds from disposal of other financial assets at fair value through profit or loss	-	(21,083)	-	2,637,077
Proceeds from disposal of available-for-sale investment	399,461	234,419	2,521,844	3,278,840
Purchase of property, plant and equipment (Note 1)	-	(2,974)	(163,856)	(69,210)
Net cash generated from investing activities	429,677	222,774	2,469,122	5,875,481

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		Group	
	<u>Fourth Quarter Ended</u>		<u>Full Year Ended</u>	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
	S\$	S\$	S\$	S\$
Cash flows from financing activities:				
Repayments of finance leases	(35,567)	(19,853)	(100,012)	(53,589)
Repayment of promissory note (Note 2)	-	-	-	(2,409,747)
Restricted cash/(Withdrawal of fixed deposit)	8,160	(13,435)	18,108	(2,649)
Net cash used in financing activities	(27,407)	(33,288)	(81,904)	(2,465,985)
Net effect of exchange rate changes in consolidating subsidiaries	2,349,244	(64,349)	5,550	17,978
Net increase/(decrease) in cash and cash equivalents	821,179	(183,769)	539,727	(1,198,771)
Cash and cash equivalents at beginning of period/year	(425,808)	39,413	(144,356)	1,054,415
Cash and cash equivalents at end of period/year	395,371	(144,356)	395,371	(144,356)

	Group		Group	
	<u>Fourth Quarter Ended</u>		<u>Full Year Ended</u>	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
	S\$	S\$	S\$	S\$
Cash at end of period includes the following:				
Cash and bank balances	1,513,478	1,192,947	1,513,478	1,192,947
Bank overdrafts	(376,634)	(577,722)	(376,634)	(577,722)
	1,136,844	615,225	1,136,844	615,225
Restricted cash (Note 3)	(741,473)	(759,581)	(741,473)	(759,581)
Cash and cash equivalents at end of period/year	395,371	(144,356)	395,371	(144,356)

Notes:

(1) Property, plant and equipment

For 4QFY2015, the Group acquired mainly plant and equipment by cash with an aggregate cost of S\$16,437 (2014: S\$2,974).

For FY2015, the Group acquired mainly motor vehicle and plant and equipment with an aggregate cost of S\$256,739 (2014: S\$166,460) of which S\$163,856 (2014: S\$69,210) was paid by cash and S\$92,883 (2014: S\$97,250) was acquired by means of finance lease.

(2) Repayment of promissory note

A repayment of S\$2.41 million was made on the remaining outstanding promissory note on the acquisition of ordinary shares in PME Group Limited ("PME") during the first quarter of FY2014.

(3) Restricted cash

Restricted cash pertains to fixed deposits of certain subsidiaries which have been pledged with banks as securities for banking facilities granted.

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	Share Option 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\$	S\$
Balance at 1 July 2013	40,310,404	346,410	4,179	(994,989)	2,463,562	49,247	(33,668,652)	8,510,161
Total comprehensive (loss)/income for the year	-	-	(4,179)	88,006	(995,098)	-	1,460,871	549,600
Balance at 30 June 2014	40,310,404	346,410	-	(906,983)	1,468,464	49,247	(32,207,781)	9,059,761
Balance at 1 July 2014	40,310,404	346,410	-	(906,983)	1,468,464	49,247	(32,207,781)	9,059,761
Total comprehensive (loss)/income for the year	-	-	-	(1,376,229)	(1,452,758)	-	1,958,769	(870,218)
Balance at 30 June 2015	40,310,404	346,410	-	(2,283,212)	15,706	49,247	(30,249,012)	8,189,543

Company	Share Capital	Share Option Reserve	Accumulated Losses	Total Equity
	S\$	S\$	S\$	S\$
Balance at 1 July 2013	40,310,404	4,179	(36,550,839)	3,763,744
Total comprehensive loss for the year	-	(4,179)	(2,436,258)	(2,440,437)
Balance at 30 June 2014	40,310,404	-	(38,987,097)	1,323,307
Balance at 1 July 2014	40,310,404	-	(38,987,097)	1,323,307
Total comprehensive loss for the year	-	-	(609,907)	(609,907)
Balance at 30 June 2015	40,310,404	-	(39,597,004)	713,400

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 the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There were no 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 issue of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose in the full year ended 30 June 2015.

The number of ordinary shares that may be issued upon exercise of all the outstanding share options under the Hitchins Employees' Share Option Scheme at 30 June 2015 was S\$Nil (as at 30 June 2014: 230,000).

Same as disclosed above, the Company has no other convertible securities.

As at 30 June 2015 and 30 June 2014, the Company had no treasury shares.

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 2015	30 June 2014
The 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.

The Company did not hold any treasury shares as at 30 June 2015 and as 30 June 2014, the end of the corresponding period of the immediately preceding year. There were also no sales, transfer, disposal, cancellation and / or use of treasury shares during the fourth quarter and full year ended 30 June 2015 and the year ended 30 June 2014.

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

The figures have not been audited nor reviewed by our 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 current financial period, compared with those of the most recently audited financial statements as at 30 June 2014.

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 the following revised FRSs or FRS amendments that are effective for annual periods beginning on or after 1 July 2014:

The following are the new or amended FRSs that are relevant to the Group:

Revised FRS 27	Separate Financial Statements
Revised FRS 28	Investments in Associates and Joint Ventures
FRS 110	Consolidated Financial Statements
Amendment to FRS 32	Offsetting of Financial Assets and Financial Liabilities
Amendment to FRS 19	Defined Benefit Plans: Employee Contributions
Improvements to FRSs (January 2014)	
- Amendment to FRS 102	Share-based Payment
- Amendment to FRS 103	Business Combinations
- Amendment to FRS 108	Operating Segments
- Amendment to FRS 16	Property, Plant and Equipment
- Amendment to FRS 24	Related Party Disclosures
- Amendment to FRS 38	Intangible Assets
Improvements to FRSs (February 2014)	
- Amendment to FRS 103	Business Combinations
- Amendment to FRS 113	Fair Value Measurement

The adoption of the above FRSs did not result in any substantial change to the Group's accounting policies nor have any significant impact on the financial statements.

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

	Group		Group	
	Fourth Quarter Ended		Full Year Ended	
	30-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
(i) Based on weighted average number of ordinary shares in issue	0.09 cents	(0.04) cents	0.21 cents	0.16 cents
(ii) On a fully diluted basis	0.09 cents	(0.04) cents	0.21 cents	0.16 cents
(iii) Weighted average number of ordinary shares issued	915,977,500	915,977,500	915,977,500	915,977,500

Basic earnings per share ("EPS") is computed based on the weighted average number of ordinary shares in issue during the financial period. The weighted average number of ordinary shares represents the number of ordinary shares at the beginning of the financial period, adjusted for new ordinary shares issued during the financial period, multiplied by a time-weighted factor.

Options were not included in the calculation of diluted EPS in the preceding financial year because they are anti dilutive. The outstanding share options under the Hitchins Employees' Share Option Scheme at 30 June 2015 was S\$Nil (as at 30 June 2014: 230,000) with an exercise price of S\$0.08 per share in the preceding period.

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-Jun-15	30-Jun-14	30-Jun-15	30-Jun-14
Net asset value per ordinary share (in cents)	0.89 cents	0.99 cents	0.08 cents	0.14 cents
Total number of issued ordinary shares used in calculating net asset value	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.**

Overview

For the fourth quarter ended 30 June 2015 ("4QFY2015"), the Group reported revenue of \$3.20 million, a 39.4% increase over the fourth quarter last year. Net profit attributable to shareholders was up 3 times to a profit of \$0.87 million as compared with a loss of S\$0.35 million during the fourth quarter ended 30 June 2014 ("4QFY2014"). Total comprehensive income attributable to shareholders was up 2 times to a profit of \$0.85 million resulting from a fair value gain on available-for-sale investments recognised for 4QFY2015 as compared with a fair value loss in 4QFY2014.

Revenue for the full year ended 30 June 2015 ("FY2015") was \$13.53 million which was 23.7% higher compared to last year while net profit also increased to \$1.96 million from S\$1.46 million compared to last year. Total comprehensive income attributable to shareholders decreased 2 times to a loss of S\$0.87 million from a profit of S\$0.55 million mainly due to a fair value loss on available-for-sale investments recognised under comprehensive income compared to a fair value gain recognised in the previous year.

Earnings per share were 0.09 cents for 4QFY2015 and 0.21 cents for FY2015, up from (0.04) cents and 0.16 cents for the comparative quarter and year, respectively. Net asset value per share decreased to 0.89 cents at 30 June 2015, from 0.99 cents at the previous year-end.

Financial Performance

Revenue

Revenue by geographic segments – 4QFY2015 vs 4QFY2014 and FY2015 vs FY2014

	4QFY2015	4QFY2014	+ / (-) Change %	FY2015	FY2014	+ / (-) Change %
	S\$'000	S\$'000		S\$'000	S\$'000	
Singapore	2,329	1,461	59.4%	10,277	7,841	31.1%
Malaysia	753	747	0.8%	2,519	2,501	0.7%
China	120	88	36.4%	733	597	22.8%
Total	3,202	2,296	39.4%	13,529	10,939	23.7%

The Group's revenue was \$3.20 million for 4QFY2015 and S\$13.53 million for FY2015, up by 39.4% and 23.7% respectively over the corresponding periods last year.

Revenue increased by approximately S\$0.91 million or 39.4% to approximately \$3.20 million in 4QFY2015, attributable mainly to increase in work done for new, on-going and completed projects as a result of differences in stages of the various construction contracts.

Revenue increased by approximately S\$2.59 million or 23.7% to approximately S\$13.53 million in FY2015. This was supported by stronger revenue from our waterproofing business entities in Singapore and China as a result of stronger expansion in public sector construction activities. There was a minimal increase in revenue for Malaysia as the construction industry cuts back its activities.

Cost of Sales

The Group's cost of sales, which came mainly from the Group's waterproofing division, decreased by 3.9% or S\$0.08 million from S\$2.08 million in 4QFY2014 to S\$2.00 million in 4QFY2015.

For FY2015, the Group's cost of sales increased by 9.5% or S\$0.81 million from S\$8.53 million in FY2014 to S\$9.33 million in FY2015.

The increase in cost of sales was mainly due to the recognition of sub-contracting expenses incurred in the waterproofing projects by reference to the stage of completion at the end of the reporting period.

Gross Profit

Gross profit increased in tandem to revenue by S\$0.99 million in 4QFY2015 and S\$1.78 million in FY2015. The increase was due to effort in cost tightening with overall operating expenses decreased despite higher sales from waterproofing projects.

Increase in gross profit margin of approximately 9% to 37.5% in 4QFY2015 and 22% to 31.0% in FY2015 is due to improved margin in waterproofing business.

Other Income

For 4QFY2015, the Group's other income increased 63.2% or S\$0.43 million from S\$0.68 million in 4QFY2014 to S\$1.11 million in 4QFY2015.

For FY2015, the Group's other income decreased 36.2% or S\$1.73 million from S\$4.78 million in FY2014 to S\$3.05 million in FY2015.

In 4QFY2015, the increase in other income arose mainly from the higher fair value gain on held-for-trading investments which increased by S\$0.47 million due to higher market prices for certain securities compared with the previous period.

Other income was significantly lower in FY2015 compared to FY2014 due to decrease in other income arose mainly from the Group's disposal of all of its securities in The Hong Kong Building & Loan Agency Ltd ("HKBLA") and recognised a realised net gain of S\$1.84 million in FY2014 as compared to nil in the current year. The lower gains recognised on the reclassification from other comprehensive income upon disposal of available-for-sale investments also contributed to the decrease in other income.

Distribution Expenses

For 4QFY2015, the Group's distribution expenses, which came from the Group's waterproofing business, decreased by 14.8% or S\$0.04 million due to more stringent cost monitoring for the period as compared with 4QFY2014.

For FY2015, there was a slight increase of 4.5% or S\$0.04 million due to costs related to printing and increase in third party administrative fees for establishing the sales and marketing infrastructures for the Group's offerings.

Administrative Expenses

The Group's administrative expenses for 4QFY2015 and FY2015 remained relatively stable with a minor increase of 1.6% in 4QFY2015 compared with the previous period and a decrease of 4.8% in FY2015 compared with the previous year.

Administrative expenses decreased by 4.8% or S\$0.18 million from S\$3.79 million in FY2014 to S\$3.61 million in FY2015 mainly due to lower legal and professional fees and overseas travelling expenses from the CGI(HK) group. Legal and professional fees for prior period relate to the legal fees on the disposal of 33% equity interest in our associate The Incorporation of Financial Technicians Limited and the overseas travelling expenses related to the travelling expenses paid for clients for the development of potential business wherein none were recognised in FY2015.

Administrative expenses by the holding company and the waterproofing business remained relatively stable compared with the previous periods.

Other Expenses

Other expenses increased by 83.4% or S\$0.19 million from S\$0.23 million in 4QFY2014 to S\$0.43 million in 4QFY2015. The Group recorded a higher foreign exchange translation loss from the translation of HK\$-denominated payable of the Group's subsidiary CGI (HK) Limited ("CGI(HK)") to Singapore dollar.

For FY2015, the Group's other expenses decreased by 33.7% or S\$0.37 million from S\$1.09 million in FY2014 to S\$0.72 million in FY2015. The decrease was from the lower fair value loss on the Group's held-for-trading investments and foreign exchange translation from CGIHK in FY2015 compared with the previous year.

Finance Cost

For 4QFY2015, the Group's finance cost decreased by 18.1% from S\$0.04 million in 4QFY2014 to S\$0.03 million in 4QFY2015 as the Group recorded a lower interest charges from the utilization of bank overdraft limit as compared with the previous quarter. The bank overdraft limit has been reduced by about 35% as compared with the previous period.

For FY2015, the Group's finance costs increased 58.2% from S\$0.12 million in FY2014 to S\$0.19 million in FY2015 primarily from the extension of trust receipts and the utilisation of bank overdraft limit.

Income Tax Expense

The Group's income tax credit was S\$0.13 million and S\$0.10 million for 4QFY2015 and FY2015, respectively.

The increase in income tax credit was mainly from the higher amount of reversal of overprovision for income tax expense in FY2014 by CGI(HK) plus the income tax expense by the Group's Malaysia waterproofing subsidiary in relation to the sales for the year.

Profit for the Period

The Group recorded a profit of S\$0.87 million in 4QFY2015 as compared to a loss of S\$0.35 million in 4QFY2014. The increase was mainly attributed to higher gross margin for the quarter as a result of more sales contribution from our Singapore and China subsidiaries and higher fair value gains recognised on the Group's quoted securities traded in the market.

The Group's profit for FY2015 was higher at S\$1.96 million compared to S\$1.46 million in FY2014 due mainly to the higher gross margin for the year and the lower other expenses incurred from lower foreign exchange translation loss and fair value loss on held-for-trading investments.

On the other hand, our waterproofing business recorded a profit of approximately S\$0.25 million in 4QFY2015 as compared to a loss of S\$0.62 million in 4QFY2014. For FY2015, a profit of S\$0.99 million was recorded as compared with a loss of S\$0.79 million in FY2014 due to higher revenue generated during the year and supported by relatively minimal movements in other operating expenses, distribution and administrative expenses.

Other Comprehensive Income/(Loss)

The Group recorded other comprehensive loss of S\$0.02 million in 4QFY2015 as compared to a loss of S\$0.45 million in 4QFY2014.

The Group recorded other comprehensive loss of S\$2.83 million in FY2015 as compared to a loss of S\$0.91 million in FY2014.

The other comprehensive loss in FY2015 was mainly from the fair value loss on the portfolio of listed equities traded on the Hong Kong Exchange managed by the Group and the reclassification of fair value changes to profit or loss from equity on disposal of available-for-sale investments at the end of FY2015 amounting to S\$1.45 million compared with a lower amount in FY2014 of S\$1.0 million.

Statement of Financial Position Review

Total Assets (Current and Non-Current)

The Group's total assets decreased by 19.2% to S\$13.66 million as at 30 June 2015, from S\$16.90 million at the previous year-end. This was attributable mainly to the net effect of decrease in held-for-trading investment and available-for-sale investments.

Trade and other receivables comprised mainly of the unbilled revenue portion of the recognised sales of work progressively completed for our waterproofing projects at their final stage of completion. Unbilled revenue relates to the revenue recognised on our waterproofing projects which are recognised based on the percentage of completion method. However, the respective projects will only be billed in accordance with the terms of the payment. Consequently, unbilled revenue will arise in circumstances whereby revenue has been recognised based on the percentage of completion but the project has not been billed as billing is not due as per the terms of the payment.

As at 30 June 2015, the fair value of the Group's **held-for-trading investments** decreased by 21.7% or S\$1.11 million from S\$5.11 million as at 30 June 2014 to S\$4.0 million. This was after the purchase and disposal of investments totalling S\$6.26 million and S\$7.20 million respectively, and

fair value loss of S\$0.42 million after the mark-to-market of the quoted equities portfolio at the end of 4QFY2015.

The Group's **available-for-sale investments** decreased to S\$0.02 million as at 30 June 2015 from S\$2.67 million as at 30 June 2014. The decrease was mainly due to the disposal of Hong Kong listed equities totalling S\$2.52 million resulting in : (1) net gain on disposal of S\$0.19 million; (2) net realised gain on fair value change of S\$1.08 million and (3) fair value gain in equity of S\$0.02 million as at 30 June 2015.

Total Liabilities (Current and Non-Current)

Group total liabilities of S\$5.48 million at 30 June 2015 decreased S\$2.36 million from the previous year-end reflecting the net movements in trade and other payables, gross amount due from contract customers and bank overdrafts accounts.

The Group's total borrowings decreased by 29.8% to S\$0.49 million from S\$0.70 million as at 30 June 2014 mainly due to a lower bank overdraft approved by the bank for Hitchins group.

Equity

Shareholders' funds decreased 9.6% to S\$8.19 million as compared to S\$9.06 million at the previous year end. The decrease reflected lower fair value gains in equity from the Group's available-for-sale investments together with the increase in foreign currency translation reserves loss due largely to the depreciation in Malaysian Ringgit (MYR) and Hong Kong dollar (HKD) vis-à-vis Singapore Dollar (SGD).

Statement of Cash Flows

4QFY2015

	4QFY2015	4QFY2014
	S\$'000	S\$'000
Net cash used in operating activities	(1,930)	(309)
Net cash from investing activities	430	223
Net cash used in financing activities	(27)	(33)
Net increase/(decrease) in cash and cash equivalents	821	(184)
Cash and cash equivalents for the period	395	(144)
Free cash inflow/(outflow) for the period	(1,500)	(86)

*Free cashflow = operating cash flow + investing cash flow

For the 3 months ended 30 June 2015, the Group recorded a **net cash outflow from operating activities** of S\$1.93 million as compared to S\$0.31 million net cash outflow in the previous corresponding period ended 30 June 2014, to support working capital of the Group. The changes in working capital from operating activities arose mainly from :

- (a) a decrease in trade and other receivables of S\$0.10 million, increase in amount due from contract customers of S\$0.38 million and increase in inventories of S\$0.09 million;
- (b) net decrease in trade and other payables of S\$2.61 million; and
- (c) net decrease in held-for-trading investments of S\$1.41 million.

For the 3 months ended 30 June 2015, the Group recorded **net cash generated from investing activities** of S\$0.43 million, increased by S\$0.21 million as compared to previous corresponding period ended 30 June 2014. This was mainly due to proceeds from disposal of available-for-sale investments and disposal of property, plant and equipment.

For the 3 months ended 30 June 2015, the Group recorded **net cash used in financing activities** of S\$0.03 million, decreased by S\$0.01 million as compared to the previous corresponding period ended 30 June 2014. There were no withdrawals of fixed deposit pledged in 4QFY2015 as compared to 4QFY2014 which has about S\$0.01 million, this resulted in the decrease.

FY2015

	FY2015	FY2014
	S\$'000	S\$'000
Net cash used in operating activities	(1,853)	(4,626)
Net cash from investing activities	2,469	5,875
Net cash used in financing activities	(82)	(2,466)
Net increase/(decrease) in cash and cash equivalents	540	(1,199)
Cash and cash equivalents for the year	395	(144)
Free cash inflow for the year	616	1,249

*Free cashflow = operating cash flow + investing cash flow

Net cash used in operating activities was S\$1.85 million in FY2015 as against S\$4.63 million in the same period last year. This comprised of cash used in operating activities before changes in working capital of S\$1.24 million, net working capital outflow of S\$2.84 million, and net cash outflow amounting to S\$0.25 million from interest and income tax paid. The net working capital outflow was a result of :

- (a) an increase in trade and other receivables of S\$0.84 million, an increase in amount due from/to contract customers of S\$0.01 million and increase in inventories of S\$0.02 million;
- (b) net decrease in held-for-trading investments of S\$0.94 million; and
- (c) net decrease in trade and other payables of S\$2.92 million.

Net cash generated from investing activities of S\$2.47 million was from the proceeds of disposal of the Group's quoted equity shares amounting to S\$2.52 million.

Net cash used in financing activities of S\$0.08 million is due mainly to the net repayments of finance leases for the year and the withdrawal of fixed deposit pledged.

As at 30 June 2015, the Group's **cash and cash equivalents** was S\$0.40 million. Free cash flow of S\$0.62 million was generated during FY2015 as compared to S\$1.25 million last year.

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

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.

On 23 July 2015, the Group has announced that it has entered into a sale and purchase agreement through its Hong Kong Subsidiary, CGI(HK) Limited (“CGIHK”), to acquire 100% of the issued and paid up capital in Success Finance Limited (“SF”), for a total consideration of HKD4,000,000 (the “Consideration”).

SF is engaged in the business of financial services and holds a Money Lenders Licence under the Money Lenders Ordinance in Hong Kong. The acquisition of SF provides the enlarged Group with the synergy and geographic coverage to grow the Company’s business in financial services.

The global outlook remains very challenging with the global equity market being volatile in 2Q 2015 owing mainly to uncertainty in Greece and the selloff in Chinese equities. In the short term, cautious mood is likely to prevail in the equity markets as investors would stay on the sidelines to monitor further developments in Greece and the broader Eurozone area as well as China’s financial markets.

In view of the current challenging business environment and uncertain global economy, the Group expects challenges ahead for all its business units. The Group will continue to monitor the market conditions closely to mitigate adverse effects, continue to exercise cost discipline in all business areas and focus on maintaining a strong and healthy balance sheet. In view of the potential risks and volatility in the currency and financial market, the Company will also be cautious in its investment risk parameters.

11. If a decision regarding dividend has been made:

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

Nil.

(b) (i) Amount per share cents

(ii) Previous corresponding period cents

Nil.

(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 received by the company (up to 5.00 pm) 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 / recommended for the period ended 30 June 2015.

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

The Company does not have a shareholders mandate on Interested Person Transactions and no Interested Person Transactions being carried out for the full year ended 30 June 2015.

- 14. Usage of Proceeds pursuant to Rule 704(30) of the Listing Manual Section B: Rules of Catalist**

Not applicable.

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	
	FY2015	FY2014	FY2015	FY2014	FY2015	FY2014
REVENUE	S\$	S\$	S\$	S\$	S\$	S\$
External sales	13,528,917	10,938,672	-	-	13,528,917	10,938,672
Inter-segment sales	-	-	-	-	-	-
					13,528,917	10,938,672
RESULTS						
Segment results	1,200,141	(652,192)	835,782	2,129,842	2,035,923	1,477,650
Interest expense					(188,469)	(119,147)
Interest income					11,835	11,382
Profit before income tax					1,859,289	1,369,885
Income tax refund					99,480	86,807
Profit for the year					1,958,769	1,456,692
BALANCE SHEET						
Segment assets	8,945,399	8,886,963	4,702,985	7,886,912	13,648,384	16,773,875
Deferred tax assets					19,961	121,396
					13,668,345	16,895,271
Segment liabilities	4,500,088	5,258,687	816,247	2,114,675	5,316,335	7,373,362
Income tax payable					161,489	459,948
Deferred tax liabilities					978	2,200
					5,478,802	7,835,510
OTHER INFORMATION						
Capital expenditure	256,739	165,940	-	519	256,739	166,459
Unallocated expenditure					-	-
					256,739	166,459
Depreciation and amortisation	120,434	120,627	9,695	9,326	130,129	129,953
Unallocated depreciation and amortisation	-	-	-	-	1,361	4,382
					131,490	134,335

(A) Business Segments: (cont'd)

	Waterproofing		Financial Services and Investment Business		Consolidated	
	FY2015	FY2014	FY2015	FY2014	FY2015	FY2014
OTHER INFORMATION						
Allowances for doubtful debts	108,516	141,813	-	-	108,516	141,813
Allowances for stock obsolescence	13,265	-	-	-	13,265	-
Fair value loss on held-for-trading investments	-	-	423,813	562,710	423,813	562,710
Allowances for doubtful debts written back	10,737	21,231	-	-	10,737	21,231
Provision for foreseeable losses	-	130,757	-	-	-	130,757

(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		Carrying amount of segment assets		Non-current assets	
	FY2015	FY2014	FY2015	FY2014	FY2015	FY2014
	S\$	S\$	S\$	S\$	S\$	S\$
Singapore	9,165,994	6,856,228	4,175,194	3,714,568	196,770	35,977
Malaysia	2,609,156	2,501,080	3,339,763	3,504,737	203,447	255,978
People's Republic of China	733,088	597,508	994,412	1,054,305	218,767	207,323
Hong Kong	-	-	4,636,338	7,925,689	9,401	17,968
Indian sub-continent	472,937	573,608	151,464	209,728	-	-
Others	547,742	410,248	371,174	340,343	-	-
	13,528,917	10,938,672	13,668,345	16,749,370	628,385	517,246

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.

Please refer to sections 8 and 15.

17. A breakdown of revenue as follows:

	Year ended 30 June 2015	Year ended 30 June 2014	Increase / (Decrease)
	S\$	S\$	%
Sales reported for first half year	6,566,907	6,027,003	9.0
Operating (loss)/income after tax and before deducting minority interests reported for the first half year	(15,810)	3,517,853	(100.4)
Sales reported for second half year	6,962,010	4,911,669	41.7
Operating income/(loss) after tax and before deducting minority interests reported for the second half year	1,974,579	(2,061,161)	195.8

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:-

Total annual dividend

Ordinary	None
Preference	None
Total	None

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 of the Company confirms that to the best of its knowledge, as at the date of this announcement, none of the persons occupying managerial position in the Company or any of its principal subsidiaries is a relative of a director or chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

So Yuen Chun
Executive Director

28 August 2015