

Full Year Financial Statement And Dividend Announcement for the Year Ended 28 February 2015

PART 1 – INFORMATION REQUIRED FOR QUARTERLY (Q1,Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS

- 1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Comprehensive Income for the year ended 28 February 2015

	Group 2015 S\$'000	Group 2014 S\$'000	+ / (-) %
Revenue	29,186	25,769	13
Cost of sales	(20,911)	(19,840)	5
Gross profit	8,275	5,929	40
Other income	146	375	(61)
Selling, general and administrative expenses	(2,549)	(2,038)	25
Interest expense	(140)	(121)	16
Profit before income tax	5,732	4,145	38
Income tax (expense)	(242)	(625)	(61)
Profit for the year	5,490	3,520	56
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations	(86)	(75)	15
Total comprehensive income for the year	5,404	3,445	57
Profit attributable to:			
Owners of the Company	5,358	3,379	59
Non-controlling interests	132	141	(6)
Profit for the year	5,490	3,520	56
Total comprehensive income attributable to:			
Owners of the Company	5,296	3,327	59
Non-controlling interests	108	118	(8)
Total comprehensive income for the year	5,404	3,445	57

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.

Statements of Financial Position as at 28 February 2015

	Group 2015 S\$'000	Group 2014 S\$'000	Company 2015 S\$'000	Company 2014 S\$'000
Non-current assets				
Plant and equipment	21,782	21,663	2,841	2,043
Investment in subsidiaries	-	-	12,740	12,740
Deferred tax asset	370	115	370	115
Total non-current assets	22,152	21,778	15,951	14,898
Current assets				
Inventories	1,063	1,062	-	-
Trade and other receivables	8,179	7,230	1,522	2,278
Tax recoverable	21	3	-	-
Cash and cash equivalents	1,899	564	525	1
Total current assets	11,162	8,859	2,047	2,279
Total assets	33,314	30,637	17,998	17,177
Equity attributable to owners of the Company				
Share capital	11,191	11,191	11,191	11,191
Reserves	10,913	7,705	3,564	1,435
Total equity attributable to owners of the Company	22,104	18,896	14,755	12,626
Non-controlling interests	804	696	-	-
Total equity	22,908	19,592	14,755	12,626
Non-current liabilities				
Deferred tax liabilities	1,834	1,499	-	-
Finance lease obligations	1,159	663	-	-
Total non-current liabilities	2,993	2,162	-	-
Current liabilities				
Trade and other payables	5,291	6,283	3,243	3,154
Current tax liabilities	40	76	-	-
Finance lease obligations	2,082	1,127	-	-
Bank overdrafts	-	1,397	-	1,397
Total current liabilities	7,413	8,883	3,243	4,551
Total liabilities	10,406	11,045	3,243	4,551
Total equity and liabilities	33,314	30,637	17,998	17,177

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

Amount repayable in one year or less, or on demand

As at 28/2/15		As at 28/2/14	
Secured	Unsecured	Secured	Unsecured
S\$2,081,883	-	S\$2,524,529	-

Amount repayable after one year

As at 28/2/15		As at 28/2/14	
Secured	Unsecured	Secured	Unsecured
S\$1,158,468	-	S\$662,837	-

Details of any collateral

The Group's banking and debt facilities, comprising of overdraft and finance lease obligations, are secured by:

- a) A fixed and floating charge of up to S\$1,500,000 (28/2/2014: S\$1,500,000) on the Company's assets.
- b) Corporate guarantees issued by the Company.
- c) Finance lease arrangements for certain plant and equipment of subsidiaries.

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

Consolidated Statement of Cash Flows for the year ended 28 February 2015

	Group 2015 S\$'000	Group 2014 S\$'000
Operating activities		
Profit before income tax	5,732	4,145
Adjustments for:		
Depreciation of plant and equipment	3,221	2,948
Write-off of plant and equipment	342	-
Gain on disposal of plant and equipment	(64)	(242)
Bad and doubtful debt expense	16	38
Interest income	-	(13)
Interest expense	140	121
Operating profit before working capital changes	9,387	6,997
Changes in working capital:		
Inventories	(1)	(103)
Trade and other receivables	(983)	(1,551)
Trade and other payables	(202)	298
Cash generated from operations	8,201	5,641
Income taxes paid	(197)	(183)
Cash flows from operating activities	8,004	5,458
Investing activities		
Interest received	-	13
Purchase of plant and equipment*	(1,191)	(2,108)
Proceeds from disposal of plant and equipment	186	326
Cash flows used in investing activities	(1,005)	(1,769)
Financing activities		
Interest expense paid	(140)	(121)
Repayment of bank loan	-	(256)
Repayment of finance lease obligations	(2,029)	(1,258)
Dividends paid	(2,088)	(1,740)
Cash flows used in financing activities	(4,257)	(3,375)
Net increase in cash and cash equivalents	2,742	314
Cash and cash equivalents at beginning of year	(833)	(1,117)
Effects of exchange rate fluctuations on cash held	(10)	(30)
Cash and cash equivalents at end of year	1,899	(833)
Comprising:		
Cash at bank and in hand	1,899	563
Fixed deposits	-	1
Bank overdrafts	-	(1,397)
Cash and cash equivalents at end of year	1,899	(833)

Significant non-cash transactions:

* During the year, the Group acquired plant and equipment of \$1,748,969 (2014: \$2,538,913) on credit from the Group's suppliers. These amounts remain outstanding as at balance sheet date. The Group also acquired plant and equipment of \$3,479,115 (2014: \$2,135,937) under finance lease arrangements which were paid by the bank directly to the Group's suppliers. These non-cash transactions have been excluded from the investing and financing cash flows.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Statement of Changes in Equity for the year ended 28 February 2015

Group	Share capital S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
2013						
At 1 March 2013	11,191	(106)	6,224	17,309	578	17,887
Total comprehensive income for the year						
Profit for the year	-	-	3,379	3,379	141	3,520
Other comprehensive income, net of tax						
Foreign currency translation differences for foreign operations	-	(52)	-	(52)	(23)	(75)
Total other comprehensive income for the year	-	(52)	-	(52)	(23)	(75)
Total comprehensive income for the year	-	(52)	3,379	3,327	118	3,445
Contributions by and distribution to owners						
Final tax-exempt dividend to owners of 1 cent per share in respect of 2013	-	-	(696)	(696)	-	(696)
Interim tax-exempt dividend to owners of 1.5 cents per share in respect of 2014	-	-	(1,044)	(1,044)	-	(1,044)
At 28 February 2014	11,191	(158)	7,863	18,896	696	19,592

Group	Share capital S\$'000	Foreign currency translation reserve S\$'000	Retained earnings S\$'000	Total attributable to owners of the Company S\$'000	Non-controlling interests S\$'000	Total S\$'000
2015						
At 1 March 2014	11,191	(158)	7,863	18,896	696	19,592
Total comprehensive income for the year						
Profit for the year	-	-	5,358	5,358	132	5,490
Other comprehensive income, net of tax						
Foreign currency translation differences for foreign operations	-	(62)	-	(62)	(24)	(86)
Total other comprehensive income for the year	-	(62)	-	(62)	(24)	(86)
Total comprehensive income for the year	-	(62)	5,358	5,296	108	5,404
Contributions by and distributions to owners						
Final tax-exempt dividend to owners of 1.5 cents per share in respect of 2014	-	-	(1,044)	(1,044)	-	(1,044)
Interim tax-exempt dividend to owners of 1.5 cents per share in respect of 2015	-	-	(1,044)	(1,044)	-	(1,044)
At 28 February 2015	11,191	(220)	11,133	22,104	804	22,908

Statement of Changes in Equity for the year ended 28 February 2015

Company	Share capital S\$'000	Retained earnings S\$'000	Total S\$'000
2014			
At 1 March 2013	11,191	1,572	12,763
Profit for the year representing total comprehensive income for the year	-	1,603	1,603
Contributions by and distributions to owners			
Final tax-exempt dividend to owners of 1 cent per share in respect of 2013	-	(696)	(696)
Interim tax-exempt dividend to owners of 1.5 cents per share in respect of 2014	-	(1,044)	(1,044)
At 28 February 2014	<u>11,191</u>	<u>1,435</u>	<u>12,626</u>
2015			
At 1 March 2014	11,191	1,435	12,626
Profit for the year representing total comprehensive income for the year	-	4,217	4,217
Contributions by and distributions to owners			
Final tax-exempt dividend to owners of 1.5 cents per share in respect of 2014	-	(1,044)	(1,044)
Interim tax-exempt dividend to owners of 1.5 cents per share in respect of 2015	-	(1,044)	(1,044)
At 28 February 2015	<u>11,191</u>	<u>3,564</u>	<u>14,755</u>

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.

Nil.

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

	28/2/15	28/2/14
Total number of issued shares	69,590,800	69,590,800

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.

Nil.

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

The figures have not been audited or reviewed.

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

NA

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

The accounting policies and methods of computation adopted are consistent with those applied in the most recent audited financial statements.

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.

New/Revised Accounting Standards/Interpretations (Effective for annual periods beginning on or after 1 March 2014)

- (1) Amendments to FRS 110 Consolidated Financial Statements
- (2) Amendments to FRS 27 Separate Financial Statements
- (3) Amendments to FRS 111 Joint Arrangements
- (4) Amendments to FRS 28 Investments in Associates and Joint Ventures (revised)
- (5) Amendments to FRS 112 Disclosures of Interests in Other Entities
- (6) Amendments to FRS 110, FRS 111 and FRS 112 - Transition Guidance
- (7) Amendments to FRS 32 Offsetting financial assets and financial liabilities
- (8) Amendments to FRS 36 Impairment of Assets – Recoverable Amount Disclosures for Non-Financial Assets
- (9) INT FRS 121 Levies

Through management's assessment, none of these are expected to have a significant effect on the current year's financial statements.

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

	Group 2015	Group 2014
(a) Based on the weighted average number of ordinary shares on issue; and	7.70 cents	4.86 cents
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	7.70 cents	4.86 cents
Weighted average number of shares	69,590,800	69,590,800

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 2015	Group 2014	Company 2015	Company 2014
Net asset value per ordinary share based on issued share capital at the end of the year (in cents)	31.76	27.15	21.20	18.14

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 affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

- (a) Group turnover rose 13% to \$29.2 million for the year ended 28 February 2015 compared with \$25.8 million for the previous year. This was due mainly to an increase in concrete pumping sales arising from the increase in construction activities of infrastructure projects and private and public housing projects in Singapore and Malaysia.

On the back of better sales, the group achieved gross profit of \$8.3 million, an improvement of 40% over previous year where gross profit was \$5.9 million. As a result, group profit attributable to owners grew 59% to \$5.4 million from \$3.4 million. Selling, general and administrative expenses were higher by 25% from \$2 million to \$2.5 million, due mainly to a write-off of plant and equipment of \$342,000. Income tax was reduced based on enhanced tax deductions claimed for capital expenditure incurred under the PIC+ Scheme announced in Budget 2014.

- (b) In tandem with the increase in sales, trade and other receivables were up from \$7.2 million to \$8.2 million. Trade and other payables were down from \$6.3 million to \$5.3 million due to payment made to payables for plant and equipment. Cash and cash equivalents, net of bank overdraft of the Group improved to \$1.9 million compared to \$(833,000) for the previous year.

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

The current year's performance is consistent with the earlier prospect statement made in the Half Year Financial Statement Announcement for the period ended 31 August 2014 which stated that barring unforeseen circumstances, the performance of the Group is expected to be profitable for the financial year.

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.

Looking forward, the construction industry in the region would continue to be active. Barring unforeseen circumstances, the performance of the Group is expected to be profitable.

11. If a decision regarding dividend has been made:-

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

(b)(i) Current financial year reported on

Name of dividend	Final (Proposed)
Dividend type	Cash
Amount per share	2 cents (one tier tax exempt)

Name of dividend	Interim (Paid)
Dividend type	Cash
Amount per share	1.5 cents (one tier tax exempt)

(b)(ii) Corresponding period of the immediate preceding financial year

Name of dividend	Final (Paid)
Dividend type	Cash
Amount per share	1.5 cent (one tier tax exempt)

Name of dividend	Interim (Paid)
Dividend type	Cash
Amount per share	1 cent (one tier tax exempt)

(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).

Please refer to 11 (b).

(d) The date the dividend is payable.

10 September 2015.

(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.

24 August 2015.

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

NA

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.

NA.

14. Negative confirmation pursuant to Rule 705(5). (Not required for announcement on full year results)

NA.

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) Information about reportable segments

	Ready-mixed concrete		Concrete pumping services		Waste management		Total	
	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000	2015 S\$'000	2014 S\$'000
External revenues	7,400	6,984	19,948	16,552	1,838	2,233	29,186	25,769
Inter-segment revenue – pump rental	-	-	993	1,034	-	-	993	1,034
Inter-segment revenue – pump parts	-	-	119	117	-	-	119	117
Interest income	-	13	-	-	-	-	-	13
Interest expense	(59)	(17)	(79)	(99)	(2)	(5)	(140)	(121)
Depreciation	(269)	(104)	(2,783)	(2,641)	(169)	(203)	(3,221)	(2,948)
Income tax expense	(137)	(152)	(92)	(431)	(13)	(42)	(242)	(625)
Reportable segment profit before income tax	659	751	5,508	3,354	190	329	6,357	4,434
Other material non-cash items:								
- Gain on disposal of plant and equipment	59	126	5	116	-	-	64	242
-Bad debts recovered	-	34	-	-	-	-	-	34
Reportable segment assets	4,908	4,271	27,353	25,189	1,053	1,177	33,314	30,637
Capital expenditure	801	1,313	3,027	3,599	52	99	3,880	5,011
Reportable segment liabilities	3,494	5,062	6,733	5,754	179	229	10,406	11,045

One customer contributed S\$1,466,000 to the revenue of the concrete pumping services segment in 2015 (2014: S\$2,302,000).

b) Geographical Segment

	Group 2015 S\$'000	Group 2014 S\$'000
External revenues		
Singapore	21,475	18,662
Malaysia	7,711	7,107
Total	29,186	25,769

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

Please refer to paragraph 8.

17. A breakdown of sales as follows:-

	Group 2015 S\$'000	Group 2014 S\$'000	+ / (-) %
(a) Sales reported for the first half year	13,962	12,976	8
(b) Operating profit after tax before deducting minority interests reported for the first half year	2,115	2,055	3
(c) Sales reported for second half year	15,224	12,793	19
(d) Operating profit after tax before deducting minority interests reported for second half year	3,375	1,465	130

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:-

	Latest Full Year (S\$) 28/2/15	Previous Full Year (S\$) 28/2/14
(a) Ordinary	2,087,724	1,739,770
(b) Preference	0	0
(c) Total	2,087,724	1,739,770

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(11) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

None of the persons occupying managerial positions in the issuer or any of its principal subsidiaries is a relative of a director or chief executive officer or substantial shareholder of the issuer.

BY ORDER OF THE BOARD

Chen Lee Lee
Company Secretary
27/4/15