

Full Year Financial Statement And Dividend Announcement for the Year Ended 29 February 2016

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 29 February 2016

	Group 2016 S\$'000	Group 2015 S\$'000	+ / (-) %
Revenue	32,729	29,186	12
Cost of sales	(24,246)	(20,911)	16
Gross profit	8,483	8,275	3
Other income	95	146	(35)
Selling, general and administrative expenses	(2,337)	(2,549)	(8)
Interest expense	(93)	(140)	(34)
Share of profit of joint venture (net of tax)	18	-	NM
Profit before income tax	6,166	5,732	8
Income tax expense	(441)	(242)	82
Profit for the year	5,725	5,490	4
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations	(338)	(86)	293
	(338)	(86)	293
Total comprehensive income for the year	5,387	5,404	NM
Profit attributable to:			
Owners of the Company	5,547	5,358	4
Non-controlling interests	178	132	35
Profit for the year	5,725	5,490	4
Total comprehensive income attributable to:			
Owners of the Company	5,305	5,296	NM
Non-controlling interests	82	108	(24)
Total comprehensive income for the year	5,387	5,404	NM

NM denotes not meaningful.

Profit before taxation include the following:

	Group 2016 S\$'000	Group 2015 S\$'000	+ / (-) %
Other income including interest income	95	146	(35)
Interest on borrowings	(93)	(140)	(34)
Depreciation	(3,580)	(3,221)	11
Allowance for doubtful debts	(212)	(16)	NM
Foreign exchange gain	54	9	500
Over/(under) provision of tax in respect of prior year	(29)	32	NM
Gain/(loss) on disposal of plant and equipment	(11)	64	NM
Write-off of plant and equipment	(22)	(342)	(94)

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 29 February 2016

	Group 2016 S\$'000	Group 2015 S\$'000	Company 2016 S\$'000	Company 2015 S\$'000
Non-current assets				
Plant and equipment	22,185	21,782	3,677	2,841
Investment in subsidiaries	-	-	12,740	12,740
Investment in joint venture	333	-	315	-
Deferred tax asset	646	370	646	370
Total non-current assets	23,164	22,152	17,378	15,951
Current assets				
Inventories	1,103	1,063	-	-
Trade and other receivables	8,605	8,179	776	1,522
Tax recoverable	7	21	-	-
Cash and cash equivalents	3,147	1,899	2,524	525
Total current assets	12,862	11,162	3,300	2,047
Total assets	36,026	33,314	20,678	17,998
Equity attributable to owners of the Company				
Share capital	11,191	11,191	11,191	11,191
Reserves	13,434	10,913	3,157	3,564
Total equity attributable to owners of the Company	24,625	22,104	14,348	14,755
Non-controlling interests	886	804	-	-
Total equity	25,511	22,908	14,348	14,755
Non-current liabilities				
Deferred tax liabilities	2,242	1,834	-	-
Finance lease obligations	73	1,159	-	-
Total non-current liabilities	2,315	2,993	-	-
Current liabilities				
Trade and other payables	7,043	5,291	6,330	3,243
Current tax liabilities	91	40	-	-
Finance lease obligations	1,066	2,082	-	-
Total current liabilities	8,200	7,413	6,330	3,243
Total liabilities	10,515	10,406	6,330	3,243
Total equities and liabilities	36,026	33,314	20,678	17,998

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

Amount repayable in one year or less, or on demand

As at 29/2/16 (S\$'000)		As at 28/2/15 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
1,066	-	2,082	-

Amount repayable after one year

As at 29/2/16 (S\$'000)		As at 28/2/15 (S\$'000)	
Secured	Unsecured	Secured	Unsecured
73	-	1,159	-

Details of any collateral

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

- A fixed and floating charge of up to S\$1,500,000 (28/2/2015: S\$1,500,000) on the Company's assets.
- Corporate guarantees issued by the Company.
- Plant and equipment of subsidiaries used as collateral for the finance lease obtained.

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 29 February 2016

	Group 2016 S\$'000	Group 2015 S\$'000
Operating activities		
Profit before income tax	6,166	5,732
Adjustments for:		
Depreciation of plant and equipment	3,580	3,221
Write-off of plant and equipment	22	342
Loss/(Gain) on disposal of plant and equipment	11	(64)
Bad and doubtful debt expense	212	16
Interest income	(2)	-
Interest expense	93	140
Operating profit before working capital changes	10,082	9,387
Changes in working capital:		
Inventories	(40)	(1)
Trade and other receivables	(624)	(983)
Trade and other payables	993	(202)
Cash generated from operations	10,411	8,201
Income taxes paid	(258)	(197)
Cash flows from operating activities	10,153	8,004
Investing activities		
Interest received	2	-
Purchase of plant and equipment*	(3,583)	(1,191)
Proceeds from disposal of plant and equipment	43	186
Cash flows used in investing activities	(3,538)	(1,005)
Financing activities		
Interest expense paid	(93)	(140)
Repayment of finance lease obligations	(2,102)	(2,029)
Investment in joint venture	(315)	-
Dividends paid	(2,784)	(2,088)
Cash flows used in financing activities	(5,294)	(4,257)
Net increase in cash and cash equivalents	1,321	2,742
Cash and cash equivalents at beginning of year	1,899	(833)
Effects of exchange rate fluctuations on cash held	(73)	(10)
Cash and cash equivalents at end of year	3,147	1,899
Comprising:		
Cash at bank and in hand	2,145	1,899
Fixed deposits	1,002	-
Bank overdrafts	-	-
Cash and cash equivalents at end of year	3,147	1,899

Significant non-cash transactions:

* During the year, the Group purchased plant and equipment amounting to S\$2,506,170 (2015: S\$1,748,969) which remains unpaid as at the balance sheet date. The Group also acquired plant and equipment of S\$55,333 (2015: S\$3,479,115) 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 29 February 2016

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 distribution to owners						
Final tax-exempt dividend to owners of 1.5 cents per share in respect of prior year	-	-	(1,044)	(1,044)	-	(1,044)
Interim tax-exempt dividend to owners of 1.5 cents per share in respect of current year	-	-	(1,044)	(1,044)	-	(1,044)
At 28 February 2015	11,191	(220)	11,133	22,104	804	22,908

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
2016						
At 1 March 2015	11,191	(220)	11,133	22,104	804	22,908
Total comprehensive income for the year						
Profit for the year	-	-	5,547	5,547	178	5,725
Other comprehensive income, net of tax						
Foreign currency translation differences for foreign operations	-	(242)	-	(242)	(96)	(338)
Total other comprehensive income for the year	-	(242)	-	(242)	(96)	(338)
Total comprehensive income for the year	-	(242)	5,547	5,305	82	5,387
Contributions by and distributions to owners						
Final tax-exempt dividend to owners of 2 cents per share in respect of prior year	-	-	(1,392)	(1,392)	-	(1,392)
Interim tax-exempt dividend to owners of 2 cents per share in respect of current year	-	-	(1,392)	(1,392)	-	(1,392)
At 29 February 2016	11,191	(462)	13,896	24,625	886	25,511

Statement of Changes in Equity for the year ended 29 February 2016

Company	Share capital S\$'000	Retained earnings S\$'000	Total S\$'000
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 prior year	-	(1,044)	(1,044)
Interim tax-exempt dividend to owners of 1.5 cents per share in respect of current year	-	(1,044)	(1,044)
At 28 February 2015	11,191	3,564	14,755
2016			
At 1 March 2015	11,191	3,564	14,755
Profit for the year representing total comprehensive income for the year	-	2,377	2,377
Contributions by and distributions to owners			
Final tax-exempt dividend to owners of 2 cents per share in respect of prior year	-	(1,392)	(1,392)
Interim tax-exempt dividend to owners of 2 cents per share in respect of current year	-	(1,392)	(1,392)
At 29 February 2016	11,191	3,157	14,348

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.

	29/2/16	28/2/15
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.**

Except as disclosed in note 5, the Group has applied the same accounting policies and methods of computation in the preparation of the consolidated financial statement for the financial year ended 29 February 2016 as those used in the audited consolidated financial statements of Transit-Mixed Concrete Ltd and its subsidiaries for the financial year ended 28 February 2015.

- 5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has adopted all new and revised Financial Reporting Standards ("FRS") and interpretation to FRS ("INT FRS") that are relevant to its operations and effective for the financial year beginning on 1 March 2015. The adoption of these new and revised FRS, and INT FRS did not result in substantial changes in the Group's accounting policies, and there is no material impact on the consolidated financial statements of the Group and the financial statements of the Company.

- 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 2016	Group 2015
(a) Based on the weighted average number of ordinary shares on issue; and	7.97 cents	7.70 cents
(b) On a fully diluted basis (detailing any adjustments made to the earnings)	7.97 cents	7.70 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 2016	Group 2015	Company 2016	Company 2015
Net asset value per ordinary share based on issued share capital at the end of the year (in cents) *	35.39	31.76	20.62	21.20

*Net asset value per ordinary share based on issued share capital at the end of the year excludes NCI's share of the Group's net assets.

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 12% to \$32.7 million for the year ended 29 February 2016 compared with \$29.2 million for the previous year. This was due mainly to an increase in concrete pumping services 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 \$8.5 million, an improvement of 3% over previous year where gross profit was \$8.3 million. As a result, Group profit attributable to owners grew 4% to \$5.55 million from \$5.36 million. Selling, general and administrative expenses fell by 8% from \$2.55 million to \$2.34 million, due mainly to a reduction in write-off of plant and equipment.

- (b) In tandem with the increase in sales, trade and other receivables were up from \$8.2 million to \$8.6 million. Trade and other payables were also up from \$5.3 million to \$7 million due to the purchase of plant and equipment. Cash and cash equivalents of the Group improved to \$3.1 million compared with \$1.9 million 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 2015 which stated that barring unforeseen circumstances, the results of the Group is expected to remain profitable for the second half of 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.**

In view of the highly competitiveness in the Singapore construction market, the Group is expected to face challenging financial performance in the forthcoming year.

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	2 cents (one tier tax exempt)

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

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)

(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.

9 September 2016.

(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 2016.

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.

15. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

The Company confirms that it 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 SGX Listing Manual.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

16. 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	
	2016	2015	2016	2015	2016	2015	2016	2015
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
External revenues	10,847	7,400	20,119	19,948	1,763	1,838	32,729	29,186
Inter-segment revenue – pump rental	-	-	1,266	993	-	-	1,266	993
Inter-segment revenue – pump parts	-	-	64	119	-	-	64	119
Interest income	2	-	-	-	-	-	2	-
Interest expense	(54)	(59)	(39)	(79)	-	(2)	(93)	(140)
Depreciation	(282)	(269)	(3,168)	(2,783)	(130)	(169)	(3,580)	(3,221)
Income tax expense	(218)	(137)	(237)	(92)	14	(13)	(441)	(242)
Reportable segment profit before income tax	775	659	5,673	5,508	312	190	6,760	6,357
Other material non-cash items:								
- Gain/(loss) on disposal of plant and equipment	-	59	(11)	5	-	-	(11)	64
-Bad debts recovered	-	-	-	-	-	-	-	-
Reportable segment assets	5,220	4,908	29,646	27,353	1,160	1,053	36,026	33,314
Capital expenditure	114	801	3,995	3,027	210	52	4,319	3,880
Reportable segment liabilities	3,913	3,494	6,444	6,733	158	179	10,515	10,406

One customer (2015: one customer) contributed S\$2,108,000 to the revenue of the concrete pumping services segment in 2016 (2015: S\$1,466,000).

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	2016 S\$'000	2015 S\$'000
Revenue		
Total revenue for reportable segments	34,059	30,298
Elimination of inter-segment revenue	(1,330)	(1,112)
Consolidated revenue	<u>32,729</u>	<u>29,186</u>
Profit or loss		
Total profit or loss for reportable segments	6,760	6,357
Unallocated amounts:		
- Other corporate expenses & income	(594)	(625)
Consolidated profit before income tax	<u>6,166</u>	<u>5,732</u>

b) Geographical Segment

	Group 2016 S\$'000	Group 2015 S\$'000
External revenues		
Singapore	21,224	21,475
Malaysia	11,505	7,711
Total	32,729	29,186
Non-current assets		
Singapore	20,465	19,302
Malaysia	2,053	2,480
Total	22,518	21,782

17. 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.

18. A breakdown of sales as follows:-

	Group 2016 S\$'000	Group 2015 S\$'000	+ / (-) %
(a) Sales reported for the first half year	17,113	13,962	23
(b) Operating profit after tax before deducting minority interests reported for the first half year	3,411	2,115	61
(c) Sales reported for second half year	15,616	15,224	3
(d) Operating profit after tax before deducting minority interests reported for second half year	2,314	3,375	(31)

- 19. 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\$) 29/2/16	Previous Full Year (S\$) 28/2/15
(a) Ordinary	2,787,632	2,435,678
(b) Preference	0	0
(c) Total	2,787,632	2,435,678

- 20. 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

26/4/16