



TA CORPORATION LTD
(Company Registration No. 201105512R)

Unaudited Fourth Quarter and Full Year Financial Statements and Dividend Announcement for the Year Ended 31.12.2014

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			12 months ended		
		31.12.2014 S\$'000	31.12.2013 S\$'000	Change %	31.12.2014 S\$'000	31.12.2013 S\$'000	Change %
Revenue		88,151	80,094	10.1	302,942	297,234	1.9
Cost of sales		(71,523)	(62,753)	14.0	(250,604)	(240,322)	4.3
Gross profit		16,628	17,341	(4.1)	52,338	56,912	(8.0)
Other income	1	3,407	1,486	129.3	9,203	5,934	55.1
Selling and distribution costs		(142)	(159)	(10.7)	(1,741)	(439)	296.6
General and administrative expenses		(4,382)	(4,529)	(3.2)	(16,523)	(15,271)	8.2
Other operating expenses		(6,534)	(1,342)	386.9	(10,270)	(5,379)	90.9
Share of results, net of tax of associates	2	(906)	(758)	19.5	(1,128)	(1,058)	6.6
Finance costs		(1,456)	(458)	217.9	(4,279)	(1,369)	212.6
Profit before income tax	3	6,615	11,581	(42.9)	27,600	39,330	(29.8)
Income tax expense		(2,502)	(2,527)	(1.0)	(5,857)	(7,484)	(21.7)
Profit after income tax		4,113	9,054	(54.6)	21,743	31,846	(31.7)
Other comprehensive income/ (loss):							
Exchange differences on translation of foreign operations		1,199	(407)	NM	1,311	(236)	NM
Loss in fair value on available-for-sale investments		(16)	-	100.0	(41)	-	100.0
Total comprehensive income for the year		5,296	8,647	(38.8)	23,013	31,610	(27.2)
Profit attributable to :							
Owners of the Company		3,877	9,328	(58.4)	20,331	29,289	(30.6)
Non-controlling interests		236	(274)	NM	1,412	2,557	(44.8)
		4,113	9,054	(54.6)	21,743	31,846	(31.7)
Total comprehensive income attributable to:							
Owners of the Company		4,919	8,910	(44.8)	21,452	29,087	(26.2)
Non-controlling interests		377	(263)	NM	1,561	2,523	(38.1)
		5,296	8,647	(38.8)	23,013	31,610	(27.2)
NM = Not meaningful							

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

1. Other income

	Group	
	12 months ended	
	31.12.2014 S\$'000	31.12.2013 S\$'000
Property rental income	2,260	2,209
Interest income	2,197	1,465
Deemed interest income on retention amounts	880	76
Service fees income	933	720
Gain on disposal of property, plant and equipment	86	55
Gain in fair value of investment properties, net	1,440	335
Reversal of allowance for doubtful trade receivables, net	-	495
Others	1,407	579
	9,203	5,934

2. Share of results, net of tax of associates

The share of results, net of tax of associates for 12 months ended 31 December 2014 comprises mainly the share of losses from Dalian Shicheng Property Development (S) Pte. Ltd., and its subsidiary and Meadows Bright Development Pte Ltd and its subsidiaries.

3. Profit before income tax

	Group	
	12 months ended	
	31.12.2014 S\$'000	31.12.2013 S\$'000
Profit before income tax for the year is stated after charging/ (crediting) the following:		
Allowance/ (Reversal of allowance) for doubtful trade receivables, net	19	(495)
Depreciation of property, plant and equipment	4,793	3,565
Gain on disposal of property, plant and equipment, net	(86)	(55)
Gain in fair value of investment properties, net	(1,440)	(335)
Interest income	(2,197)	(1,465)
Provision for impairment loss on development properties	5,001	-
Deemed interest income on retention amounts	(880)	(76)
Deemed interest expense on retention amounts	46	164
Under provision of income tax in prior years	52	9

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.

	Group		Company	
	31.12.2014 S\$'000	31.12.2013 S\$'000	31.12.2014 S\$'000	31.12.2013 S\$'000
ASSETS				
Current assets				
Cash and bank balances	116,803	96,301	32,596	4,997
Trade and other receivables	173,417	191,263	74,485	33,658
Deposits and prepayments	3,257	6,542	25	28
Available-for-sale investments	9,437	-	-	-
Inventories	4,871	2,901	-	-
Development properties	235,456	196,066	-	-
Total current assets	543,241	493,073	107,106	38,683
Non-current assets				
Property, plant and equipment	35,656	20,862	-	-
Investment properties	192,669	60,175	-	-
Subsidiaries	-	-	116,965	116,965
Goodwill	2,595	2,594	-	-
Associates and joint venture	7,149	8,054	-	-
Other non-current assets	400	416	-	-
Deferred tax assets	269	65	-	-
Total non-current assets	238,738	92,166	116,965	116,965
Total assets	781,979	585,239	224,071	155,648
LIABILITIES AND EQUITY				
Current liabilities				
Borrowings	91,291	35,330	-	-
Trade and other payables	163,776	135,369	2,343	2,101
Current portion of finance leases	388	409	-	-
Income tax payable	4,710	12,334	-	10
Total current liabilities	260,165	183,442	2,343	2,111
Non-current liabilities				
Borrowings	191,110	159,934	-	-
Finance leases	725	434	-	-
Term notes	74,082	-	74,082	-
Deferred tax liabilities	1,952	654	-	-
Total non-current liabilities	267,869	161,022	74,082	-
Capital, reserves and non-controlling interests				
Share capital	142,185	142,185	142,185	142,185
Capital reserve	644	644	-	-
Translation and other reserves	761	(360)	-	-
Retained earnings	100,798	85,117	5,461	11,352
Equity attributable to owners of the Company	244,388	227,586	147,646	153,537
Non-controlling interests	9,557	13,189	-	-
Total equity	253,945	240,775	147,646	153,537
Total liabilities and equity	781,979	585,239	224,071	155,648

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

	As at 31.12.2014		As at 31.12.2013	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year	87,058	4,621	34,167	1,572
Amount repayable after one year	191,284	74,633	158,195	2,173
Total	278,342	79,254	192,362	3,745

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 guaranteed 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	
	12 months ended	
	31.12.2014 S\$'000	31.12.2013 S\$'000
Operating activities		
Profit before income tax	27,600	39,330
Adjustments for :		
Depreciation of property, plant and equipment	4,793	3,565
Interest income	(2,197)	(1,465)
Deemed interest income on retention amounts	(880)	(76)
Interest expense	4,233	1,205
Deemed interest expense on retention amounts	46	164
Share of results, net of tax of associates	1,128	1,058
Gain on disposals of property, plant and equipment	(86)	(55)
Gain in fair value of investment properties, net	(1,440)	(335)
Impairment of other non-current assets	16	-
Property, plant and equipment written off	-	22
Provision for liquidated damages	428	-
Provision for impairment loss on development properties	5,001	-
Allowance/ (Reversal of allowance) for doubtful trade receivables, net	19	(495)
Bad debts written off	1	-
Operating cash flows before movements in working capital	38,662	42,918
Trade and other receivables	23,617	55,627
Deposits and prepayments	2,425	(2,012)
Inventories	(1,970)	(1,723)
Development properties	(39,892)	(49,698)
Trade and other payables	31,654	(26,524)
Cash generated from operations	54,496	18,588
Income tax paid	(12,385)	(13,076)
Interest paid	(9,540)	(4,045)
Net cash from operating activities	32,571	1,467

Investing activities		
Purchase of property, plant and equipment	(16,857)	(6,830)
Purchase of investment properties	(132,194)	-
Proceeds from issue of shares in subsidiaries to non-controlling shareholders	871	1,410
Proceeds from disposal of property, plant and equipment	143	55
Advances to associates	(4,911)	(6,389)
Interest received	2,197	1,465
Interest in a joint venture	-	(2,216)
Investment in available-for-sale investments	(9,437)	-
Acquisition of subsidiary	(1)	(1)
Additional other non-current assets	-	(289)
Additional investment in associates	(1)	(551)
Net cash used in investing activities	(160,190)	(13,346)
Financing activities		
Proceeds from term notes, net	74,082	-
Proceeds from borrowings	106,633	81,543
Repayment of borrowings	(19,496)	(58,986)
Repayment of obligations under finance leases	(481)	(605)
Pledged fixed deposits	(579)	(513)
Dividends paid to non-controlling shareholders	(9,077)	(12,300)
Dividends paid	(4,650)	(6,045)
Net cash from financing activities	146,432	3,094
Increase/ (Decrease) in cash and cash equivalents	18,813	(8,785)
Cash and cash equivalents at beginning of the year	95,788	105,121
Effect of exchange rate changes	1,110	(548)
Cash and cash equivalents at end of the year	115,711	95,788

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

Cash and bank balances	80,036	71,261
Fixed deposits	36,767	25,040
	<u>116,803</u>	<u>96,301</u>
Less: pledged fixed deposits	(1,092)	(513)
Cash and cash equivalents at end of the year	<u>115,711</u>	<u>95,788</u>

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>Capital reserve</u>	<u>Translation and other reserves</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, 2013	142,185	644	(158)	61,873	204,544	23,133	227,677
Proceed from issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	1,410	1,410
Total comprehensive income for the year	-	-	(202)	29,289	29,087	2,523	31,610
Dividends	-	-	-	(6,045)	(6,045)	-	(6,045)
Dividends to non-controlling shareholders	-	-	-	-	-	(13,877)	(13,877)
Balance at December 31, 2013	142,185	644	(360)	85,117	227,586	13,189	240,775
Proceed from issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	871	871
Total comprehensive income for the year	-	-	1,121	20,331	21,452	1,561	23,013
Dividends	-	-	-	(4,650)	(4,650)	-	(4,650)
Dividends to non-controlling shareholders	-	-	-	-	-	(6,064)	(6,064)
Balance at December 31, 2014	142,185	644	761	100,798	244,388	9,557	253,945

<u>Company (S\$'000)</u>	<u>Share capital</u>	<u>Retained earnings</u>	<u>Total equity</u>
Balance at January 1, 2013	142,185	11,456	153,641
Total comprehensive income for the year	-	5,941	5,941
Dividends	-	(6,045)	(6,045)
Balance at December 31, 2013	142,185	11,352	153,537
Total comprehensive income for the year	-	(1,241)	(1,241)
Dividends	-	(4,650)	(4,650)
Balance at December 31, 2014	142,185	5,461	147,646

- 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.**

Since 31 December 2013, there has been no change to the total number of issued shares of the Company.

As at the end of 31 December 2014, the Company does not have any outstanding convertibles or treasury shares (31 December 2013: 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 excluding treasury shares as at 31 December 2014 was 465,000,000 (31 December 2013: 465,000,000).

- 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.**

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 as compared with those used in the audited financial statements for the year ended 31 December 2013.

- 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.**

The Group has adopted all the new and revised Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 January 2014. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current period or prior years except for more extensive disclosures in the consolidated financial statements required by FRS 112 Disclosure of Interests in Other Entities.

- 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	
	12 months ended	
	31.12.2014	31.12.2013
(i) Earnings per share based on weighted average number of shares (in cents)	4.4	6.3
(ii) Earnings per share based on a fully diluted basis (in cents)	4.4	6.3
Weighted average number of ordinary shares (in millions)	465.0	465.0

As there were no outstanding potentially dilutive ordinary shares, the diluted earnings per ordinary shares were the same as the earnings per ordinary shares for the respective years.

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

	Group		Company	
	31.12.2014	31.12.2013	31.12.2014	31.12.2013
Net asset value per ordinary share issued (in cents)	52.6	48.9	31.8	33.0
Total number of issued shares at end of the financial year (in millions)	465.0	465.0	465.0	465.0

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

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

For the full year ended 31 December 2014, the Group recorded revenue of S\$302.9 million, a marginal increase of S\$5.7 million or 1.9% compared to S\$297.2 million in 2013. The increase was due mainly to higher revenue for the real estate development and distribution segments partially offset by lower revenue for the construction segment.

Construction segment contributed S\$212.4 million to Group's revenue, a decrease of S\$8.5 million compared to S\$220.9 million in 2013. While higher revenue was recognised from progressive construction work completed on our on-going projects, including Riversails, The Skywoods, Marine Blue and Highline Residences, lower revenue was recognised from progressive construction work completed for Foresque Residences, Nouvel 18 and The Sorrento in current year compared to previous year.

Real estate development segment contributed S\$75.2 million, an increase of S\$9.0 million compared to S\$66.2 million. While two on-going projects, The Cristallo and Gambir Ridge contributed higher revenue in 2014 compared to 2013, there was absence of revenue contribution in current year from Auralis and Coralis both of which achieved TOP in 2013. Our mixed development project in Thailand the De Iyara, contributed its maiden revenue of S\$12.0 million upon the completion of the development and handover of units to buyers.

Distribution of lubricants and tyres business contributed S\$15.3 million to the Group's revenue, an increase of S\$5.1 million compared to S\$10.2 million in 2013. The increase was mainly due to higher contribution from our distribution business in Myanmar.

Despite the marginal increase in Group's revenue, gross profit decreased by 8.0% to S\$52.3 million for current year compared to S\$56.9 million in previous year attributed mainly to higher construction cost and reduced margins.

Other income increased by S\$3.3 million to S\$9.2 million for current year compared to S\$5.9 million in previous year. The increase was due mainly to net gain in fair value of investment properties of S\$1.4 million and higher interest income of S\$2.2 million.

Selling and distribution costs increased by S\$1.3 million to S\$1.7 million compared to S\$0.4 million in 2013 due mainly to show flats costs on project, Ascent@456 launched in current year and marketing expenses incurred on our development projects in Thailand.

Other operating expenses of S\$10.3 million included a provision for impairment loss on development properties of S\$5.0 million.

Finance cost increased by S\$2.9 million to S\$4.3 million compared to S\$1.4 million in 2013. The increase was mainly due to interest on the term notes issued in April 2014.

The Group achieved profit before income tax of S\$27.6 million compared to S\$39.3 million in 2013. Income tax expense decreased by S\$1.6 million to S\$5.9 million in line with lower profit earned.

Review of working capital, assets and liabilities

The movement in assets and liabilities are as follows:

- i) increase in cash and bank balances by S\$20.5 million mainly due to net proceeds from issue of fixed rate term notes of S\$74.1 million and collections from buyers of real estate development units mainly from Auralis and Coralis which achieved certificate of statutory completion in 2014 partially offset by S\$12.4 million income tax paid, S\$9.4 million available-for-sale investments, FY2013 dividends paid of S\$4.7 million and purchases of fixed assets of S\$16.9 million.
- ii) decrease in trade and other receivables by S\$17.8 million was mainly due to collections from buyers of real estate development units, in particular, for Auralis and Coralis, partially offset by higher amount due from contract customers of construction business at year end.
- iii) decrease in deposits and prepayment by S\$3.3 million was mainly due to reclassification of deposits to property, plant and equipment on completion of land purchases and show-flat costs expensed off upon launch of the project, Ascent@456.
- iv) increase in available-for-sale investments by S\$9.4 million was for purchases of quoted debt securities.
- v) increase in inventories by S\$2.0 million was mainly due to increase in products range and higher inventory held for our distribution business.
- vi) increase in development properties by S\$39.4 million was mainly due to acquisition cost of land banks and development costs incurred for projects not yet launched.
- vii) increase in property, plant and equipment by S\$14.8 million was mainly due to purchases of leasehold and freehold properties and reclassification of a unit of investment property to property, plant and equipment, partially offset by depreciation charged for the year.
- viii) increase in investment properties by S\$132.5 million was due to costs incurred on purchase and construction of the dormitory site. Construction of the dormitory site is scheduled to be completed by second quarter of 2016.
- ix) increase in net borrowings by S\$87.1 million was mainly to finance the purchase of a dormitory site at Tuas.
- x) increase in trade and other payables by S\$28.4 million was mainly due to progress payments received from sold units of development projects, Ascent@456, De Iyara Share and De Iyara Grande and higher accruals for costs on the construction contracts.
- xi) decrease in income tax payable by S\$7.6 million was due to income tax paid of S\$12.4 million offset by current period tax provision of S\$4.8 million.
- xii) increase in net term notes by S\$74.1 million arose from the issue of S\$75 million fixed rate medium term notes due October 2016 with coupon of 5.25% under the S\$150 million multi-currency medium term notes programme set up in 2013 net of issue costs.
- xiii) increase in deferred tax liabilities of \$1.3 million was mainly due to higher provision made on projects, The Cristallo and Gambir Ridge.

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 year ended 31 December 2014 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.

URA's 4th Quarter 2014 real estate statistics released on 23 January 2015 reported that prices of private residential properties decreased by 1.0% in 4th Quarter 2014, higher than the 0.7% decline in the previous quarter. This was the fifth straight quarter of gradual price decline. For the year 2014 as a whole, prices of private residential properties have decreased by 4.0%, compared with an increase of 1.1% in 2013. Developers sold 1,376 private residential units in 4th Quarter 2014, lower than the 1,531 units sold in 3rd Quarter 2014. For 2014, developers sold 7,316 units, significantly lower than the 14,948 units sold in 2013.

The Group expects the challenging outlook for the Singapore private residential property market to persist.

According to the Building and Construction Authority news release on 8 January 2015, private residential construction demand is anticipated to moderate to between S\$11 and 15 billion, compared to S\$18 billion in 2014, as developers may adopt a cautious approach amid a slowdown in private home sales and global uncertainties.

The construction sector for private residential construction continues to be challenging. However, the Group remains confident of its construction segment's performance underpinned by our order book of S\$336 million as at 31 December 2014, to be delivered progressively over the next three years as well as continued efforts to increase productivity and manage costs.

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? Yes.

The directors recommend a first and final dividend for the year ended 31 December 2014 as stated below:

Name of dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.0 cent per share
Tax Rate	One-tier tax exempt

(b) Corresponding period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes.

Name of dividend	First & Final
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.0 cent per share
Tax Rate	One-tier tax exempt

(c) Date payable

To be announced later.

(d) Books closure date

To be announced later.

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

Not applicable.

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 no general mandate for interested person transactions. During the year, the following interested person transactions were entered into by the Group:

Name of Interested person	Aggregate value of all interested person transactions (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 31 December 2014	12 months ended 31 December 2014	3 months ended 31 December 2014	12 months ended 31 December 2014
	S\$'000	S\$'000	S\$'000	S\$'000
Prestige Resources Pte Ltd	227	495	N.A.	N.A.
Tac Alliance Pte. Ltd.	111	282	N.A.	N.A.
Liong Kiam Teck (Note 1)	728	1,148	N.A.	N.A.
Edgewell Investments Pte. Ltd.	35	123	N.A.	N.A.
Neo Medical Centre	27	102	N.A.	N.A.

Note 1:

On 22 January 2014, one of the Company's subsidiaries entered into a cost-plus contract for the erection of three 3-storey strata bungalows with Mr. Liong Kiam Teck, the Executive Chairman of the Company. Estimated cost of S\$4 million plus a 5% mark up on cost incurred shall be billed progressively according to work done. As at 31 December 2014, total billing of S\$1,147,955 has been rendered based on certified work done.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT (This part is not applicable to Q1, Q2, Q3 or Half Year Results)

14 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.

The Group's segment information is as follows:

	Real Estate					Total
	Construction	Development and investment	Distribution	Others	Elimination	
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2014						
REVENUE						
External revenue	212,485	75,165	15,292	-	-	302,942
Inter-segment revenue	44,689	93	7,029	-	(51,811)	-
	257,174	75,258	22,321	-	(51,811)	302,942
RESULT						
Segment result	24,169	5,616	428	(531)	-	29,682
Interest income	313	1,804	-	80	-	2,197
Interest expense	(104)	(1,081)	(28)	(3,066)	-	(4,279)
Profit/ (Loss) before income tax	24,378	6,339	400	(3,517)	-	27,600
Income tax expense	(4,393)	(1,428)	-	(36)	-	(5,857)
Profit/ (Loss) for the year	19,985	4,911	400	(3,553)	-	21,743

	Real Estate					Total
	Construction	Development and investment	Distribution	Others	Elimination	
	SS'000	SS'000	SS'000	SS'000	SS'000	SS'000
STATEMENT OF FINANCIAL POSITION						
Segment assets	254,656	688,838	17,764	224,071	(403,750)	781,579
Unallocated corporate assets	400	-	-	-	-	400
Total assets	255,056	688,838	17,764	244,071	(403,750)	781,979
Segment liabilities	158,703	538,626	10,948	76,425	(256,668)	528,034
Total liabilities	158,703	538,626	10,948	76,425	(256,668)	528,034

OTHER INFORMATION

Addition to non-current assets	17,432	1,639	537	-	-	19,608
Depreciation expense	4,117	397	279	-	-	4,793
Provision for impairment loss on development properties	-	5,001	-	-	-	5,001
Impairment loss on other non- current assets	16	-	-	-	-	16

2013

REVENUE

External revenue	220,895	66,157	10,182	-	-	297,234
Inter-segment revenue	28,498	-	2,330	-	(30,828)	-
	249,393	66,157	12,512	-	(30,828)	297,234

RESULT

Segment result	27,379	12,308	173	(702)	-	39,158
Interest income	138	1,393	-	10	-	1,541
Interest expense	(252)	(1,110)	(7)	-	-	(1,369)
Profit/ (Loss) before income tax	27,265	12,591	166	(692)	-	39,330
Income tax expense	(4,508)	(2,920)	(14)	(42)	-	(7,484)
Profit/ (Loss) for the year	22,757	9,671	152	(734)	-	31,846

STATEMENT OF FINANCIAL POSITION

Segment assets	208,198	498,345	11,613	155,648	(288,981)	584,823
Unallocated corporate assets	416	-	-	-	-	416
Total assets	208,614	498,345	11,613	155,648	(288,981)	585,239
Segment liabilities	136,830	347,791	6,006	2,111	(148,274)	344,464
Total liabilities	136,830	347,791	6,006	2,111	(148,274)	344,464

OTHER INFORMATION

Addition to non-current assets	5,746	466	869	-	-	7,081
Depreciation expense	3,123	286	156	-	-	3,565

Geographical segments

The Group's revenue from external customers was principally generated from Singapore. Accordingly, no geographical segment assets and revenue from external customers' information are presented.

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

Refer to paragraph 8 above.

16 A breakdown of sales.

	Group		
	2014 S\$'000	2013 S\$'000	Increase / (Decrease) %
Sales reported for first half year	135,991	149,948	(9.3)
Operating profit after tax before deducting non-controlling interests reported for first half year	10,587	19,494	(45.7)
Sales reported for second half year	166,951	147,286	13.4
Operating profit after tax before deducting non-controlling interests reported for second half year	11,156	12,352	(9.7)

17 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 net dividend proposed

	Latest Full Year	Previous Full Year
	S\$'000	S\$'000
Ordinary	4,650	4,650
Preference	Nil	Nil
Total:	4,650	4,650

The first and final dividend for 2014 is subject to the approval of shareholders at the forthcoming Annual General Meeting.

18 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(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Neo Tiam Chuan, Nelson	66	Sibling to Liong Kiam Teck, Neo Tiam Poon @ Neo Thiam Poon, Neo Tiam Boon and Neo Thiam An	General Manager in charge of the daily operation of Credence Engineering Pte Ltd since December 2010.	N.A.

Neo Kian Lee	54	Sibling to Liong Kiam Teck, Neo Tiam Poon @ Neo Thiam Poon, Neo Tiam Boon and Neo Thiam An	Site Manager in charge of the properties operation of Sino Holdings Pte Ltd since January 1983.	N.A.
Liong Chai Yin, Fiona	34	Daughter of Liong Kiam Teck and niece of Neo Tiam Poon @ Neo Thiam Poon, Neo Tiam Boon and Neo Thiam An	Manager (Marketing/ Business development (Overseas)), in charge of the marketing and project-related aspects of our real estate development division and the sourcing for real estate development and construction opportunities since year 2002	N.A.
Liong Cailin, Wendy	32	Daughter of Liong Kiam Teck and niece of Neo Tiam Poon @ Neo Thiam Poon, Neo Tiam Boon and Neo Thiam An	Assistant General Manager (Business development), in charge of sourcing and assessing the viability of potential development in Singapore and assisting the Board in assessing the viability of business opportunities.	N.A.

19 Comparatives

Where necessary, comparative figures have been reclassified to conform with changes in presentation for the current financial year.

BY ORDER OF THE BOARD

Foo Soon Soo/ Yap Ming Choo
Company Secretaries

25 February 2015