



FIGTREE HOLDINGS LIMITED

Full Year Financial Statement and Dividend Announcement For the Financial Year Ended 31 December 2014

*Figtree Holdings Limited (the “**Company**”) was listed on Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) on 11 November 2013. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the “**Sponsor**”).*

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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Background

The Company was incorporated in the Republic of Singapore on 5 June 2013 under the Companies Act (Chapter 50) of Singapore as a private limited company under the name of “Figtree Holdings Pte. Ltd.”. The Company and its subsidiaries (the “**Group**”), were formed pursuant to a Restructuring Exercise prior to the initial public offering and listing on Catalist of the SGX-ST (“**Catalist**”). Please refer to the Company’s Offer Document dated 29 October 2013 for further details on the Restructuring Exercise.

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

- 1(a)(i) 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**

Consolidated Statement of Comprehensive Income

	Note	Group		Increase/ (Decrease) %
		FY2014 S\$	FY2013 S\$	
Revenue	8(a)(i)	98,537,966	101,817,298	(3.2)
Cost of sales		(85,343,414)	(87,399,090)	(2.4)
Gross profit	8(a)(ii)	13,194,552	14,418,208	(8.5)
Other income	8(a)(iii)	509,297	42,393	NM
Administrative costs	8(a)(iv)	(4,474,213)	(3,802,986)	17.6
Finance costs	8(a)(v)	–	(11,069)	NM
Share of results of associates	8(a)(vi)	(460,394)	(509)	NM
Profit before taxation (Note 1)		8,769,242	10,646,037	(17.6)
Tax expense	8(a)(vii)	(1,542,919)	(2,044,411)	(24.5)
Profit for the year		7,226,323	8,601,626	(16.0)
Profit attributable to:				
Owners of the Company		7,220,177	8,634,603	(16.4)
Non-controlling interests		6,146	(32,977)	NM
		7,226,323	8,601,626	(16.0)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
- Net effect of exchange differences arising from translation of financial statements of foreign operations		254,201	5,497	NM
Other comprehensive income for the year, net of tax		254,201	5,497	NM
Total comprehensive income for the year		7,480,524	8,607,123	(13.1)
Total comprehensive income attributable to:				
Owners of the Company		7,474,378	8,640,100	(13.5)
Non-controlling interests		6,146	(32,977)	NM
		7,480,524	8,607,123	(13.1)

Notes to the Consolidated Statement of Comprehensive Income

Note 1

The following items have been included in arriving at profit before taxation:

	Note	Group		Increase/ (Decrease) %
		FY2014 S\$	FY2013 S\$	
Depreciation of property, plant and equipment	8(a)(viii)	170,676	84,529	101.9
Foreign exchange loss, net		92,637	694	NM
Operating lease expense		27,508	63,753	(56.9)
Employee benefits expense		5,628,623	4,132,624	36.2
Write off of property, plant and equipment		37,570	5,804	NM

NM – Not Meaningful

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

	Note	Group		Company	
		As at 31 December 2014 S\$	As at 31 December 2013 S\$	As at 31 December 2014 S\$	As at 31 December 2013 S\$
ASSETS					
Non-current assets					
Property, plant and equipment	8(b)(i)	3,766,895	3,665,022	1,297	–
Investment in subsidiaries		–	–	9,152,597	9,152,597
Investment in an associate	8(b)(ii)	210,371	1,491	–	–
Loans to an associate	8(b)(iii)	8,493,646	–	–	–
Loans to subsidiaries		–	–	1,664,969	–
Total non-current assets		12,470,912	3,666,513	10,818,863	9,152,597
Current assets					
Trade receivables	8(b)(iv)	35,111,307	16,520,942	–	–
Other receivables	8(b)(v)	2,791,149	1,583,767	3,362	156,679
Prepayments	8(b)(vi)	31,112	8,829	3,981	–
Amounts due from subsidiaries		–	–	9,501,321	6,702,491
Amount due from an associate		39,030	–	39,030	–
Cash and short term deposits	8(b)(vii)	37,027,247	25,315,858	5,237,974	8,674,763
Total current assets		74,999,845	43,429,396	14,785,668	15,533,933
Total assets		87,470,757	47,095,909	25,604,531	24,686,530
LIABILITIES					
Current liabilities					
Gross amount due to customers for contract work-in-progress	8(b)(viii)	25,659,782	2,083,612	–	–
Trade and other payables	8(b)(ix)	32,649,394	18,994,204	1,226,646	776,718
Rebates received in advance	8(b)(x)	–	176,431	–	–
Provision for warranty	8(b)(xi)	–	332,836	–	–
Provision for taxation	8(b)(xii)	1,557,570	2,035,051	6,680	1,793
Total current liabilities		59,866,746	23,622,134	1,233,326	778,511
Net current assets		15,133,099	19,807,262	13,552,342	14,755,422
Non-current liability					
Deferred tax liabilities		6,221	18,269	6,221	–
Total non-current liabilities		6,221	18,269	6,221	–
Total liabilities		59,872,967	23,640,403	1,239,547	778,511
Net assets		27,597,790	23,455,506	24,364,984	23,908,019
EQUITY					
Equity attributable to owners of the Company					
Share capital		20,511,462	20,519,150	20,511,462	20,519,150
Accumulated profits		14,941,164	11,051,539	3,853,522	3,388,869
Merger deficit ⁽¹⁾		(8,152,595)	(8,152,595)	–	–
Foreign currency translation reserve		259,998	5,797	–	–
		27,560,029	23,423,891	24,364,984	23,908,019
Non-controlling interests		37,761	31,615	–	–
Total equity		27,597,790	23,455,506	24,364,984	23,908,019

Notes :

- (1) The difference between the consideration paid / transferred and the issued and paid up share capital of Figtree Projects Pte. Ltd. during the pre-IPO Restructuring Exercise is reflected as a Merger Deficit under the Equity of the Group.

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

Amount repayable in one year or less, or on demand

As at 31 December 2014		As at 31 December 2013	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	-	-	-

Amount repayable after one year

As at 31 December 2014		As at 31 December 2013	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	-	-	-

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

	FY2014	FY2013
	S\$	S\$
Cash flows from operating activities		
Profit before taxation	8,769,242	10,646,037
Adjustments for:		
Depreciation of property, plant and equipment	170,676	84,529
Write off of property, plant and equipment	37,570	5,804
Share of results of associate	460,394	509
IPO listing expenses	–	1,320,912
Interest income	(451,816)	(23,750)
Interest expense	–	11,069
Operating cash flows before changes in working capital	8,986,066	12,045,110
(Increase)/decrease in:		
Trade receivables	(18,590,365)	894,352
Other receivables and prepayments	668,397	720,456
Amount due from an associate	(39,030)	–
Increase/(decrease) in:		
Gross amount due to customers for contract work-in-progress	23,576,170	(7,822,946)
Trade and other payables	13,145,922	6,025,256
Cash flows generated from operations	27,747,160	11,862,228
Income tax paid	(2,032,448)	(640,878)
Net cash flows generated from operating activities	25,714,712	11,221,350
Cash flows from investing activities		
Purchases of property, plant and equipment	(328,643)	(3,259,669)
Proceeds from disposal of property, plant and equipment	18,821	–
Net cash outflow on acquisition of an associate	(38,000)	(2,000)
Loans to an associate	(8,493,646)	–
Acquisition of development property	(1,898,062)	–
Interest received	57,942	23,750
Net cash flows used in investing activities	(10,681,588)	(3,237,919)
Cash flows from financing activities		
Net proceeds pursuant to the IPO	–	10,045,643
Issuance of new shares	(8,000)	–
Dividends paid on ordinary shares	(3,330,240)	(1,500,000)
Proceeds from/(placement of) pledged fixed deposits	2,500,000	(2,500,000)
Proceeds from bank borrowing	–	1,764,305
Repayment of bank borrowing	–	(1,764,305)
Interest paid	–	(11,069)
Net cash (used in)/generated from financing activities	(838,240)	6,034,574
Net increase in cash and cash equivalents	14,194,884	14,018,005
Cash and cash equivalents at the beginning of year	22,815,858	8,792,392
Effects of exchange rate changes on cash and cash equivalents	16,505	5,461
Cash and cash equivalents at the end of year	37,027,247	22,815,858

For the purpose of the consolidated cash flow statements, cash and cash equivalents comprise the following:

	FY2014	FY2013
	S\$	S\$
Cash and short term deposits	37,027,247	25,315,858
Less: Pledged deposits	-	(2,500,000)
Cash and cash equivalents at the end of year	<u>37,027,247</u>	<u>22,815,858</u>

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	Attributable to equity holders of the Company						Total equity attributable to owners of the Company S\$	Non-controlling interests S\$	Total equity S\$
	Share capital S\$	Accumulated profits S\$	Merger deficit S\$	Foreign currency translation reserve S\$	Total reserves S\$				
Balance as at 1 January 2013	1,000,000	3,916,936	-	300	3,917,236	4,917,236	64,592	4,981,828	
Profit for the year	-	8,634,603	-	-	8,634,603	8,634,603	(32,977)	8,601,626	
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	-	5,497	5,497	5,497	-	5,497	
Total comprehensive income for the year	-	8,634,603	-	5,497	8,640,100	8,640,100	(32,977)	8,607,123	
<u>Contributions by and distributions to owners</u>									
Dividends on ordinary shares	-	(1,500,000)	-	-	(1,500,000)	(1,500,000)	-	(1,500,000)	
Adjustment arising from Restructuring Exercise	8,152,597	-	(8,152,595)	-	(8,152,595)	2	-	2	
Issuance of ordinary shares pursuant to IPO	11,366,553	-	-	-	-	11,366,553	-	11,366,553	
Total contributions by and distributions to owners	19,519,150	(1,500,000)	(8,152,595)	-	(9,652,595)	9,866,555	-	9,866,555	
Total transactions with owners in their capacity as owners	19,519,150	(1,500,000)	(8,152,595)	-	(9,652,595)	9,866,555	-	9,866,555	
Balance as at 31 December 2013	20,519,150	11,051,539	(8,152,595)	5,797	2,904,741	23,423,891	31,615	23,455,506	
Balance as at 1 January 2014	20,519,150	11,051,539	(8,152,595)	5,797	2,904,741	23,423,891	31,615	23,455,506	
Profit for the year	-	7,220,177	-	-	7,220,177	7,220,177	6,146	7,226,323	
<u>Other comprehensive income</u>									
Foreign currency translation	-	-	-	254,201	254,201	254,201	-	254,201	
Total comprehensive income for the year	-	7,220,177	-	254,201	7,474,378	7,474,378	6,146	7,480,524	
<u>Contributions by and distributions to owners</u>									
Dividends on ordinary shares	-	(3,330,552)	-	-	(3,330,552)	(3,330,552)	-	(3,330,552)	
Issuance of ordinary shares as scrip dividend	312	-	-	-	-	312	-	312	
Share issuance expense	(8,000)	-	-	-	-	(8,000)	-	(8,000)	
Total contributions by and distributions to owners	(7,688)	(3,330,552)	-	-	(3,330,552)	(3,338,240)	-	(3,338,240)	
Total transactions with owners in their capacity as owners	(7,688)	(3,330,552)	-	-	(3,330,552)	(3,338,240)	-	(3,338,240)	
Balance as at 31 December 2014	20,511,462	14,941,164	(8,152,595)	259,998	7,048,567	27,560,029	37,761	27,597,790	

Company	Share capital S\$	Accumulated profits S\$	Total S\$
Balance as at 5 June 2013, date of incorporation	2	-	2
Profit for the period, representing total comprehensive income for the period	-	3,388,869	3,388,869
<u>Contributions by and distributions to owners</u>			
Issuance of shares pursuant to the Restructuring Exercise	9,152,595	-	9,152,595
Issuance of ordinary shares pursuant to IPO	11,366,553	-	11,366,553
Total transactions with owners in their capacity as owners	20,519,148	-	20,519,148
Balance as at 31 December 2013	20,519,150	3,388,869	23,908,019
Balance as at 1 January 2014	20,519,150	3,388,869	23,908,019
Profit for the year, representing total comprehensive income for the year	-	3,795,205	3,795,205
<u>Contributions by and distributions to owners</u>			
Dividends on ordinary shares	-	(3,330,552)	(3,330,552)
Issuance of ordinary shares as scrip dividend	312	-	312
Share issuance expense	(8,000)	-	(8,000)
Total contributions by and distributions to owners	(7,688)	(3,330,552)	(3,338,240)
Total transactions with owners in their capacity as owners	(7,688)	(3,330,552)	(3,338,240)
Balance as at 31 December 2014	20,511,462	3,853,522	24,364,984

1(d)(ii) Details of any changes in the company's share capital arising from right 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 of the issuer, 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.

There was no change in the issued and paid up capital of the Company during the period 1 July 2014 to 31 December 2014. The Company's share capital was S\$20,511,462 comprising of 277,546,822 shares as at 1 July 2014 and 31 December 2014.

There were no outstanding options, convertibles or treasury shares as at 31 December 2014 and 31 December 2013.

1(d)(iii) To show the 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

	Company	
	As at 31 December 2014	As at 31 December 2013
Total number of issued shares excluding treasury shares	<u>277,546,822</u>	<u>277,546,000</u>

There were no treasury shares as at 31 December 2014 and 31 December 2013.

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. The Company does not have any treasury shares during and as at the end of the current financial year reported on.

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

These figures have not been audited nor reviewed.

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

Save as disclosed on Section 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting year as compared with 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 effect of, the change

The Company has adopted certain Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are mandatory for the financial year beginning on or after 1 January 2014. The adoption of these FRS and INT FRS has no significant impact on the financial position or performance of the Group.

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	
	FY2014 S\$	FY2013 S\$
Profit attributable to owners of the Company	7,220,177	8,634,603
	Weighted average number of shares	Weighted average number of shares
Basic and diluted weighted average number of ordinary shares	277,546,428	277,546,000 ⁽¹⁾
	Singapore cents	Singapore cents
Basic and diluted Earnings Per Share ("EPS") attributable to owners of the Company ⁽²⁾	2.60	3.11

Notes:

(1) For comparative and illustrative purpose, basic and diluted EPS per ordinary share for FY2013 was calculated based on the weighted average post-listing share capital of 277,546,000 shares.

(2) The basic and diluted earnings per ordinary share for FY2014 and FY2013 were the same as the Company did not have potential dilutive ordinary shares as at 31 December 2014 and 31 December 2013.

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	
	As at 31 December 2014	As at 31 December 2013	As at 31 December 2014	As at 31 December 2013
Net asset value per ordinary share based on issued share capital (cents)	9.93	8.44	8.78	8.61
Number of issued ordinary shares	277,546,822	277,546,000	277,546,822	277,546,000

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) Review of the Income Statement of the Group

Financial year ended 31 December 2014 ("FY2014") vs 31 December 2013 ("FY2013")

- (i) The Group's revenue decreased marginally by 3.2%, from S\$101.82 million in FY2013 to S\$98.54 million in FY2014 due to the timing difference in revenue recognition from our various projects, with the bulk being completed in the first half of 2014. Revenues for projects are recognised based on percentage of completion method. Works commenced on two new major projects – Development 8 Pte Ltd ("D8") in April 2014 and Crystal Freight Services Distripark Pte Ltd ("CFSDPL") in September 2014 – for which a small percentage of revenue has been recognised in FY2014.
- (ii) Correspondingly, the Group's gross profit decreased by 8.5% from S\$14.42 million in FY2013 to S\$13.19 million in FY2014, while gross profit margin decreased by 0.8 percentage points from 14.2% in FY2013 to 13.4% in FY2014. The decrease in gross profit margin was mainly attributed to the completion of various projects in the first half of 2014 and marginal profit was recognised for the two new projects with D8 and CFSDPL.
- (iii) The Group's other income increased from S\$0.04 million in FY2013 to S\$0.51 million in FY2014 mainly due to interest income recognised from long term loans extended to an associate, but no such loans were extended in FY2013.
- (iv) The Group's administrative expenses increased by 17.6% from S\$3.80 million in FY2013 to S\$4.47 million in FY2014. The increase was mainly attributable to an increase in (i) general administrative expenses and compliance costs incurred by the Company, such as professional and audit fees, SGX fees and Directors' fees; (ii) depreciation and office related expenses; and (iii) employee expenses as a result of increased headcount to support the anticipated increase in activities of the Group in FY2014. With an increase in headcount, employee benefits expense increased to S\$5.63 million from S\$4.13 million in FY2013.

- (v) Finance costs amounting to S\$0.01 million in FY2013 were incurred due to interest expense on bank borrowings amounting to S\$1.76 million to finance the purchase of the new office located at 8 Jalan Kilang Barat, #03-01 Central Link, Singapore 159351. The loan was fully repaid on 26 December 2013. No such loan was extended to the Group in FY2014.
- (vi) Share of results of associates relates to the loss from the Company's associate, Vibrant Properties Pte. Ltd. ("VPPL") incurred in FY2014.
- (vii) Tax expense decreased by 24.5% from S\$2.04 million in FY2013 to S\$1.54 million in FY2014, which was in line with the lower profits recognised in FY2014.
- (viii) Depreciation of property, plant and equipment increased by 101.9% from S\$0.08 million in FY2013 to S\$0.17 million in FY2014. The increase was mainly attributed to the purchase of the new office in the second half of FY2013, renovation of the new office, and purchases of furniture and fittings, office equipment, computers and a motor vehicle.

(b) Review of the Financial Position of the Group

- (i) The net book value of the Group's property, plant and equipment increased from S\$3.67 million as at 31 December 2013 to S\$3.77 million as at 31 December 2014 due to renovation of the new office, purchases of furniture and fittings, office equipment, computers and a motor vehicle. The increase was partially offset by depreciation charges during the year.
- (ii) The increase in investment in an associate arose from a capital contribution to VPPL in the form of an interest free loan, partially offset by the Group's share of associates' losses for the year.
- (iii) Long term loans to an associate as at 31 December 2014 was in relation to shareholder's loans extended to VPPL.
- (iv) Trade receivables as at 31 December 2014 and 2013 comprised the following :

	Group	
	As at 31 December 2014 S\$	As at 31 December 2013 S\$
Trade receivables	18,764,338	9,805,809
Retention receivables	16,346,969	6,715,133
Total trade receivables	35,111,307	16,520,942

Total trade receivables increased by S\$18.59 million from S\$16.52 million as at 31 December 2013 to S\$35.11 million as at 31 December 2014 mainly due to the commencement of the two major projects with D8 and CFSDPL.

- (v) Other receivables as at 31 December 2014 and 2013 comprised the following :

	Group	
	As at 31 December 2014 S\$	As at 31 December 2013 S\$
Other receivables	700,000	1,400,000
GST receivables	5,567	155,834
Deposits	2,021,632	20,212
Sundry receivables	63,950	7,721
Total other receivables	2,791,149	1,583,767

Other receivables increased by S\$1.21 million from S\$1.58 million as at 31 December 2013 to S\$2.79 million as at 31 December 2014 mainly due to the initial deposit made on two properties in Melbourne, Australia, for the purpose of re-development, amounting to approximately S\$1.90 million (A\$1.75 million). This was partially offset by the refund of deposits from an insurance company as cash collateral for performance bonds issued following the completion of certain construction projects, as well as a decrease in GST receivables. The GST receivables as at 31 December 2013 was in relation to Goods and Services Tax recoverable from the Inland Revenue Authority of Singapore mainly arising from the listing expenses paid for the Company's IPO in FY2013.

- (vi) Prepayments increased by S\$0.02 million from S\$0.01 million as at 31 December 2013 to S\$0.03 million as at 31 December 2014 mainly due to prepayments of property tax for the Company's new office.
- (vii) Cash and short term deposits increased by S\$11.71 million from S\$25.32 million as at 31 December 2013 to S\$37.03 million as at 31 December 2014 largely due to net cash flows generated from operating activities, partially offset by purchases of property, plant and equipment, long term loans extended to an associate, acquisitions of two properties in Melbourne, Australia, and dividends paid on ordinary shares to shareholders.
- (viii) Gross amount due to customers for contract work-in-progress increased by S\$23.58 million from S\$2.08 million as at 31 December 2013 to S\$25.66 million as at 31 December 2014 mainly due to the commencement of the D8 and CFSDPL projects in FY2014.
- (ix) Trade and other payables as at 31 December 2014 and 2013 comprised the following :

	Group	
	As at 31 December 2014 S\$	As at 31 December 2013 S\$
Trade payables	3,868,897	3,737,977
Accrued operating expenses	28,749,708	15,234,843
Sundry payables	30,789	21,384
Total trade and other payables	32,649,394	18,994,204

Trade and other payables increased by S\$13.66 million from S\$18.99 million as at 31 December 2013 to S\$32.65 million in 31 December 2014 mainly due to an increase in trade payables of S\$0.13 million

and an increase in accrued operating expenses of S\$13.52 million. Increase in trade payables was in line with the increase in construction activities. Accrued operating expenses mainly related to accrued expenses for work completed by sub-contractors which has not been invoiced by our sub-contractors, accruals for professional fees and provision for bonuses.

- (x) Rebates received in advance as at 31 December 2013 was in relation to a grant received from a supplier for renovation works for the new office. These rebates did not recur in FY2014.
- (xi) Provision for warranty as at 31 December 2013 was in relation to a provision for cost expected to be incurred during the defect liability period for a major project with Tech-Link Storage Engineering Pte Ltd, which was completed in November 2013. As the defect liability period is over, this amount has been reversed in FY2014.
- (xii) Provision for taxation decreased by S\$0.48 million from S\$2.04 million as at 31 December 2013 to S\$1.56 million as at 31 December 2014 in line with the lower profits achieved in FY2014.

(c) Review of the Cash Flow Statement of the Group

In FY2014, the Group recorded a net cash inflow from operating activities of S\$25.71 million, which was a result of operating cash flows before changes in working capital of S\$8.99 million, adjusted for working capital inflows of S\$18.76 million and income tax paid of S\$2.03 million. Working capital inflows were mainly due to an increase in other receivables and prepayments of S\$0.67 million, an increase in gross amount due to customers for contract work-in-progress of S\$23.58 million and an increase in trade and other payables of S\$13.15 million, partially offset by an increase in trade receivables of S\$18.59 million and an increase in amount due from an associate of S\$0.04 million.

Net cash used in investing activities amounted to S\$10.68 million, which was mainly due to the purchases of property, plant and equipment of S\$0.33 million, an increase in investment in an associate of S\$0.04 million, long term loans extended to an associate of S\$8.49 million, and a deposit placed for the acquisition of a development property of S\$1.90 million, partially offset by proceeds from the disposal of property, plant and equipment of S\$0.02 million, and interest received from short term deposits of S\$0.06 million.

Net cash used in financing activities amounted to S\$0.84 million which was mainly due to dividends paid on ordinary shares of S\$3.33 million, partially offset by proceeds from the release of pledged fixed deposits of S\$2.50 million.

As a result of the above, there was a net increase of S\$14.19 million in the Group's cash and cash equivalents, from S\$22.82 million as at 31 December 2013 to S\$37.03 million as at 31 December 2014.

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

The financial results are in line with the Group's discussion presented under Section 10 of the Company's half year unaudited financial results announcement for the half year ended 30 June 2014, dated 12 August 2014.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

The Group remains cautiously optimistic on its business outlook despite the uncertainties in the local property market and the global economic conditions.

The Group's Design and Build Segment had a strong start to the financial year under review when it secured a S\$178.00 million contract in January 2014. The Group also started work on two new major projects - Development 8 Pte Ltd ("D8") in April 2014 and Crystal Freight Services Distripark Pte Ltd ("CFSDPL") in September 2014 - which will be completed in forth Quarter 2015 and first Quarter 2016 respectively.

With a steady pipeline of projects, the Group's order book as at the date of this announcement is approximately S\$127 million. The Group will continue to explore and negotiate new potential industrial design and build projects in Singapore, China and the region.

For the Property Development Segment, the Group will continue to explore potential property development opportunities in China through our 40% owned associate, VPPL. VPPL had, through its 60:40 subsidiary 江阴德玛斯特辉联房地产开发有限公司 (Master Real Estate), acquired a government approved resettlement housing development site in Jiangyin, China (江苏省江阴市澄江街道行政区域) with a total estimated gross floor area of approximately 35,702 square metre ("sqm") for RMB75,420,000 in a public auction (the "**Residential Development**"). This Residential Development, in which the Group has an effective 24% stake, has a guaranteed buy back upon project completion. The construction of this project is ahead of schedule and completion is expected to be by the first quarter of 2016.

During the same period, VPPL had also, through its 50:50 subsidiary 飞煌工业设施发展(苏州)有限公司 (Fervent Industrial Development (Suzhou) Co., Ltd) ("**Fervent**") acquired a 88,917 sqm prime High Tech Industrial Park development site in Changshu High Tech Industrial Park, CEDZ, Jiangsu for RMB28,849,120 in a public land auction (the "**Industrial Development**"). To be named "**Changshu Fervent Industrial Park**" or "**CFIP**", this Industrial Development has a total estimated gross floor area of approximately 67,405.40 sqm. The Group has an effective 20% shareholding interest. Construction is on schedule and completion is expected by the second quarter of 2015.

The Group had also registered two wholly-owned subsidiaries, Figtree Real Estate Pty Ltd ("**FREPL**") and Figtree La Trobe Pty Ltd ("**FLTPL**"), in Australia in the first half of 2014 to explore property development opportunities in the major cities of Australia. In August 2014, FLTPL had acquired a freehold property located at 293-299 La Trobe Street, Melbourne, Victoria, Australia for a purchase consideration of A\$13,998,000 by way of international tender. In November 2014, FLTPL further acquired an adjoining freehold property located at 301-303 La Trobe Street for a purchase consideration of A\$3,430,000 by way of an off market deal. The Group intends to combine both properties to maximise their development potential in the future.

The Group expects to remain profitable in FY2015.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

Yes.

Name of Dividend:	First and final
Dividend Amount per share:	S\$0.01

Tax Rate: 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 and final
Dividend Amount per share: S\$0.012
Tax Rate: Tax-exempt

(c) Date payable:

To be announced at a later date.

(d) Books closure date:

To be announced at a later date.

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

Not applicable.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), 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 an existing general mandate pursuant to Rule 920 of the Catalist Listing Manual.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (S\$'000)
Singapore Enterprises Private Limited in relation to the provision of proportionate shareholders' loans to VPPL ¹	8,713	–
Update on IPT as disclosed in the Offer Document		
Design and build contract between Figtree Projects Pte. Ltd. and Freight Links E-Logistics Technopark Pte Ltd ²	1,783	–
Design and build contract between Figtree Projects and Crystal Freight Services Distripark Pte Ltd ³	6,790	–

Notes:

1. The transactions are not required to comply with Rule 906 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited ("Catalist Rules") pursuant to Rule 916(3)(c) of the Catalist Rules (please refer to the announcement made on 12 May 2014).
2. As disclosed in Page 121 of the Offer Document. Construction works for this project commenced on 11 September 2013. For FY2014, S\$0.96 million of work was done for this project and S\$1.78 million was invoiced. A total amount of S\$2.66 million of work was done, S\$2.53 million was invoiced and S\$2.53 million has been collected since the commencement of this project.
3. As disclosed in Page 122 of the Offer Document. Construction works for this project commenced on 20 November 2014. For FY2014, S\$9.90 million of work was done for this project, out of which S\$6.79 million was invoiced and S\$4.60 million has been collected since the commencement of this project.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. Segmented revenue and results for operating 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.

For management purposes, the Group is organised into business units based on their products and services, and has three reportable segments as follows :

1. The design and build segment specialises in the design and building of commercial and industrial facilities. The scope of services covers the full spectrum of the project development process, including land search and authority liaison, feasibility studies, design and construction.
2. The property development segment is in the business of constructing, developing, selling and leasing out of residential, commercial and industrial properties.
3. The corporate segment is involved in Group-level corporate services.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit margins of the products and services.

	Design and build		Property development		Corporate		Per consolidated financial statements	
	FY2014	FY2013	FY2014	FY2013	FY2014	FY2013	FY2014	FY2013
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Revenue :								
External customers	98,537,966	101,817,298	-	-	-	-	98,537,966	101,817,298
Inter-segment	-	-	-	-	-	-	-	-
Total revenue	98,537,966	101,817,298	-	-	-	-	98,537,966	101,817,298
Results :								
Interest income	243,924	23,750	177,846	-	30,046	-	451,816	23,750
Interest expense	-	11,069	-	-	-	-	-	11,069
Depreciation	170,105	84,529	-	-	571	-	170,676	84,529
Share of results of associate	-	-	(460,394)	(509)	-	-	(460,394)	(509)
Segment profit/(loss) before tax	11,364,036	12,905,476	(483,381)	(6,268)	(2,111,413)	(2,253,171)	8,769,242	10,646,037
Assets :								
Investment in an associate	-	-	210,371	1,491	-	-	210,371	1,491
Additions to non-current assets	324,685	3,612,530	2,090	-	1,868	-	328,643	3,612,530
Segment assets	68,976,297	38,253,467	13,208,816	11,000	5,285,644	8,831,442	87,470,757	47,095,909
Segment liabilities	58,611,825	22,901,681	21,596	4,300	1,239,546	734,422	59,872,967	23,640,403

Geographical information

Revenue and non-current assets information based on the geographical locations of customers and assets respectively are as follows:

	Revenues		Non-current assets	
	FY2014 S\$	FY2013 S\$	FY2014 S\$	FY2013 S\$
Singapore	98,036,609	101,682,552	12,373,142	3,637,552
China	501,357	134,746	95,680	28,961
Australia	–	–	2,090	–
Malaysia	–	–	–	–
	98,537,966	101,817,298	12,470,912	3,666,513

Non-current assets information presented above consist of property, plant and equipment, investment in an associate and loans to an associate as presented in the consolidated balance sheet.

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

The review of performance has been provided under Paragraph 8 above. However, the review was related to the design and build segment as the property development segment is still under its start-up stage and has not contributed any revenue to the Group. The business of the Group is primarily centered in Singapore.

16. A breakdown of sales as follows:

	Group		Increase/ (Decrease) %
	FY2014 S\$	FY2013 S\$	
Sales reported for first half year	49,942,055	49,882,625	0.1
Operating profit after taxation before deducting minority interests for first half year	4,541,767	5,664,372	(19.8)
Sales reported for second half year	48,595,911	51,934,673	(6.4)
Operating profit after taxation before deducting minority interests for second half year	2,684,556	2,937,254	(8.6)

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:**

	FY2014 S\$	FY2013 S\$
Ordinary Proposed first and final dividend	2,775,468 ⁽¹⁾	3,330,552

Note:

(1) The proposed first and final dividend for the financial year ended 31 December 2014 of S\$0.01 per share is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

18. **Use of IPO proceeds**

The net proceeds raised from the IPO, after deducting the cash expenses in relation to the IPO of approximately S\$1.95 million is approximately S\$10.05 million.

The following table sets out the breakdown of the use of proceeds from the IPO as at the date of this announcement:

Purpose	Amount allocated as set out in the Offer Document (S\$'000)	Amount reallocated as per announcement dated 3 January 2014 (S\$'000)	Amount reallocated as per announcement dated 12 August 2014 (S\$'000)	Amount utilised as at the date of this announcement (S\$'000)	Amount unutilised as at the date of this announcement (S\$'000)
Undertake property development projects	5,000	123	601	(5,724)	-
Expansion of our operations in existing markets and into new markets	600	-	(600)	-	-
Financing the purchase of the New Office	354	-	(1)	(353)	-
Repayment of bank borrowing for the purchase of the New Office	1,764	(16)	-	(1,748)	-
General working capital ⁽¹⁾	2,221	-	-	(2,221)	-
Total	9,939	107	-	(10,046)	-

Note:

(1) Mainly utilised for employee related expenses, professional fees, and general office related expenses.

As at the date of this announcement, the Company had utilised all the proceeds from the IPO.

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

Person related to Mr Tan Chew Joo (Executive Director and Cost Director and a Substantial Shareholder of the Company)

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Tan Kevin	36	Son of Mr Tan Chew Joo	Development Manager. Oversees the property developments of the Company's subsidiary companies in Australia. The position was held since 16 October 2014.	No change

By Order of the Board

Siaw Ken Ket @ Danny Siaw
Executive Chairman & Managing Director
16 February 2015