# LIAN BENG GROUP LTD

**Fourth Quarter And Full Year Financial Statement And Dividend Announcement**

**Fourth quarter and full year financial statements on consolidated results for the year ended 31 May 2018.**

These figures have not been audited.

**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.**

| | The Group | | | | | |
|---|---|---|---|---|---|---|
| | Fourth Quarter Ended | | | Full Year Ended | | |
| | 31.5.2018 S$'000 | 31.5.2017 S$'000 | % Increase /(Decrease) | 31.5.2018 S$'000 | 31.5.2017 S$'000 | % Increase /(Decrease) |
| **Revenue** | 97,413 | 125,431 | -22.3% | 243,885 | 281,665 | -13.4% |
| Cost of sales | (71,637) | (89,914) | -20.3% | (181,875) | (206,784) | -12.0% |
| **Gross profit** | 25,776 | 35,517 | -27.4% | 62,010 | 74,881 | -17.2% |
| Other operating income | 37,220 | 3,964 | 839.0% | 54,322 | 14,275 | 280.5% |
| Distribution expenses | (2,295) | (119) | 1828.6% | (6,068) | (2,192) | 176.8% |
| Administrative expenses | (10,657) | (5,782) | 84.3% | (27,897) | (22,920) | 21.7% |
| Other operating expenses | (6,907) | (2,869) | 140.7% | (13,703) | (14,176) | -3.3% |
| Finance costs | (3,623) | (3,166) | 14.4% | (14,404) | (9,977) | 44.4% |
| Share of results of associates | 1,459 | 2,936 | -50.3% | 4,491 | 10,171 | -55.8% |
| Share of results of joint ventures | 1,527 | (1,391) | nm | 8,716 | 5,583 | 56.1% |
| | 42,500 | 29,090 | 46.1% | 67,467 | 55,645 | 21.2% |
| Fair value gain on investment properties | 9,657 | 14,563 | -33.7% | 9,657 | 14,563 | -33.7% |
| **Profit before taxation** | 52,157 | 43,653 | 19.5% | 77,124 | 70,208 | 9.9% |
| Taxation | (14,984) | (5,213) | 187.4% | (20,476) | (7,427) | 175.7% |
| **Profit for the period / year** | 37,173 | 38,440 | -3.3% | 56,648 | 62,781 | -9.8% |
| **Other comprehensive income :** | | | | | | |
| ***Items that may be reclassified subsequently to profit or loss:*** | | | | | | |
| Foreign currency translation gain / (loss) | 2,009 | (3,454) | nm | 2,139 | (2,918) | nm |
| Net fair value (loss) / gain on available-for sale financial assets | (3,755) | 2,855 | nm | (2,770) | 5,808 | nm |
| Net fair value changes on available-for-sale financial assets reclassified to profit or loss | - | - | - | - | 1,869 | - |
| **Other comprehensive income for the period / year, net of tax** | (1,746) | (599) | 191.5% | (631) | 4,759 | -113.3% |
| Total comprehensive income for the period / year | 35,427 | 37,841 | -6.4% | 56,017 | 67,540 | -17.1% |
| **Profit attributable to:** | | | | | | |
| Owners of the Company | 37,509 | 31,989 | 17.3% | 54,382 | 53,238 | 2.1% |
| Non-controlling interests | (336) | 6,451 | nm | 2,266 | 9,543 | -76.3% |
| | 37,173 | 38,440 | -3.3% | 56,648 | 62,781 | -9.8% |
| **Total comprehensive income attributable to:** | | | | | | |
| Owners of the Company | 35,837 | 31,510 | 13.7% | 53,821 | 57,910 | -7.1% |
| Non-controlling interests | (410) | 6,331 | nm | 2,196 | 9,630 | -77.2% |
| | 35,427 | 37,841 | -6.4% | 56,017 | 67,540 | -17.1% |

**1(a)(ii)** The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year.

| | The Group | | | | | |
|---|---|---|---|---|---|---|
| | Fourth Quarter Ended | | % Increase /(Decrease) | Full Year Ended | | % Increase /(Decrease) |
| | 31.5.2018 S$'000 | 31.5.2017 S$'000 | | 31.5.2018 S$'000 | 31.5.2017 S$'000 | |
| Other income including interest income | 3,347 | 2,081 | 60.8% | 9,799 | 11,298 | -13.3% |
| Gain on disposal of property, plant and equipment | 231 | 88 | 162.5% | 695 | 412 | 68.7% |
| Depreciation of property, plant and equipment | (4,075) | (4,011) | 1.6% | (14,779) | (15,465) | -4.4% |
| Foreign exchange (loss) / gain, net | (4,318) | 1,485 | nm | (2,849) | (1,009) | 182.4% |
| Dividend income from investment securities | 841 | 505 | 66.5% | 1,887 | 1,085 | 73.9% |
| Fair value gain on investment properties | 9,657 | 14,563 | -33.7% | 9,657 | 14,563 | -33.7% |
| Allowance for doubtful trade and non-trade receivables | (3,210) | (262) | 1125.2% | (3,210) | (262) | 1125.2% |
| Bad debt written off | (2) | (1,573) | -99.9% | (10) | (1,751) | -99.4% |
| Impairment loss on investment securities | - | - | - | - | (2,090) | -72.0% |
| (Under) / over provision of tax in respect of previous years | (4) | (470) | nm | 11 | 1,397 | -99.2% |
| Gain on disposal of investment properties | 33,994 | - | nm | 41,766 | - | nm |

nm means 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.**

| | The Group S$'000 | | The Company S$'000 | |
|---|---|---|---|---|
| | 31-May-18 | 31-May-17 | 31-May-18 | 31-May-17 |
| **Non-current assets** | | | | |
| Property, plant and equipment | 159,356 | 63,577 | - | 1 |
| Investment properties | 529,472 | 703,860 | - | - |
| Investment in joint ventures | 18,630 | 34,540 | 5,720 | 6,220 |
| Investment in subsidiaries | - | - | 167,287 | 75,299 |
| Investment in associates | 49,768 | 43,970 | - | 200 |
| Amount due from associates | 44,911 | 45,000 | - | - |
| Deferred tax assets | 1,256 | 249 | - | - |
| Other assets | 77 | 260 | - | - |
| Amounts due from third parties | - | 3,357 | - | - |
| Investment securities | 129,097 | 119,494 | 18,083 | 17,860 |
| | **932,567** | **1,014,307** | **191,090** | **99,580** |
| **Current assets** | | | | |
| Construction work-in-progress in excess of progress billings | 8,860 | 4,811 | - | - |
| Development properties | 218,501 | 161,431 | - | - |
| Investment property held for sale | - | 26,283 | - | - |
| Inventories | 3,827 | 4,297 | - | - |
| Trade receivables | 88,833 | 59,093 | - | - |
| Other receivables and deposits | 34,520 | 32,384 | 4,016 | 7,443 |
| Prepayments | 1,195 | 1,923 | 5 | 5 |
| Amounts from affiliated companies | - | 1 | - | - |
| Amounts due from subsidiaries | - | - | 203,710 | 257,247 |
| Amounts due from joint ventures | 69,627 | 37,260 | 50,521 | 10,897 |
| Amounts due from associates | 163,610 | 100,095 | - | 18,843 |
| Investment securities | 17,885 | 7,515 | - | - |
| Cash and cash equivalents | 209,214 | 187,804 | 35,139 | 39,426 |
| | **816,072** | **622,897** | **293,391** | **333,861** |
| **Current liabilities** | | | | |
| Progress billings in excess of construction work-in-progress | 4,295 | 59,704 | - | - |
| Trade and other payables | 281,248 | 173,565 | 38 | 39 |
| Accruals | 19,449 | 17,582 | 268 | 196 |
| Amounts due to associates | 8,616 | 1,361 | 76 | 76 |
| Amounts due to joint ventures | 4,619 | 17,817 | - | - |
| Amounts due to subsidiaries | - | - | 246,513 | 257,679 |
| Bank loans | 330,406 | 258,174 | - | - |
| Bills payable | 301 | - | - | - |
| Obligations under hire purchases | 3,324 | 3,780 | - | - |
| Provision for taxation | 19,377 | 8,673 | 21 | 19 |
| | **671,635** | **540,656** | **246,916** | **258,009** |
| **Net current assets** | **144,437** | **82,241** | **46,475** | **75,852** |
| **Non-current liabilities** | | | | |
| Refundable rental deposit | 2,978 | 2,109 | - | - |
| Amounts due to subsidiaries | - | - | 5,892 | 10,103 |
| Bank loans | 309,194 | 422,325 | - | - |
| Obligations under hire purchase | 2,327 | 3,224 | - | - |
| Deferred tax liabilities | 960 | 1,240 | - | - |
| | **315,459** | **428,898** | **5,892** | **10,103** |
| **Net assets** | **761,545** | **667,650** | **231,673** | **165,329** |
| **Equity attributable to equity holders of the Company** | | | | |
| Share capital | 82,275 | 82,275 | 82,275 | 82,275 |
| Treasury share | (17,777) | (17,777) | (17,777) | (17,777) |
| Capital reserve | 15,141 | (220) | - | - |
| Foreign currency translation reserve | (893) | (3,102) | - | - |
| Fair value adjustment reserve | 2,769 | 5,539 | 5,923 | 5,700 |
| Retained earnings | 564,643 | 521,504 | 161,252 | 95,131 |
| | 646,158 | 588,219 | 231,673 | 165,329 |
| Non-controlling interests | 115,387 | 79,431 | - | - |
| **Total equity** | **761,545** | **667,650** | **231,673** | **165,329** |

**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 May 2018

| Secured (S$) | Unsecured (S$) |
|---|---|
| 334,031,000 | - |

As at 31 May 2017

| Secured (S$) | Unsecured (S$) |
|---|---|
| 261,954,000 | - |

**Amount repayable after one year**

As at 31 May 2018

| Secured (S$) | Unsecured (S$) |
|---|---|
| 311,521,000 | - |

As at 31 May 2017

| Secured (S$) | Unsecured (S$) |
|---|---|
| 425,549,000 | - |

**Details of any collateral**

As at 31 May 2018, the Group's borrowings of $645.6 million (31 May 2017 : $687.5 million) are secured by the Group's freehold and leasehold properties, development properties, investment properties, barges, tug boats, plant, machinery and motor vehicles and investment securities. The bank facilities of the subsidiary companies are also secured by corporate guarantees from the Company.

**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.**

| | The Group | | The Group | |
|---|---|---|---|---|
| | Fourth Quarter ended | | Full Year Ended | |
| | 31-May-18 | 31-May-17 | 31-May-18 | 31-May-17 |
| **Cash flows from operating activities** | S$'000 | S$'000 | S$'000 | S$'000 |
| Profit before taxation | **52,157** | **43,653** | **77,124** | **70,208** |
| Adjustments for:- | | | | |
| Depreciation of property, plant and equipment | 4,075 | 4,011 | 14,779 | 15,465 |
| Fair value (gain) / loss on derivative instrument | (358) | - | (358) | 449 |
| Write back of inventories | - | - | - | (48) |
| Fair value gain on investment properties | (9,657) | (14,563) | (9,657) | (14,563) |
| Gain on disposal of investment properties | (33,994) | - | (41,766) | - |
| Dividend income from investment securities | (841) | (505) | (1,887) | (1,085) |
| Gain on disposal of property, plant and equipment | (231) | (88) | (695) | (412) |
| Fair value loss / (gain) on investment securities | 213 | (52) | 52 | (128) |
| Impairment loss on investment securities | - | - | - | 2,090 |
| Gain on disposal of subsidiary | - | - | (1) | - |
| (Gain) / loss on disposal of investment securities | (53) | (44) | 44 | 71 |
| Amortisation of other assets | 46 | 46 | 183 | 183 |
| Interest income | (2,422) | (1,197) | (10,402) | (9,368) |
| Interest expense | 3,623 | 3,166 | 14,404 | 9,977 |
| Unrealised exchange differences | (175) | 4 | 852 | (823) |
| Gain on disposal of an associate | - | (137) | - | (137) |
| Property, plant and equipment written off | - | - | - | 3 |
| Allowance for doubtful trade and non-trade receivables | 3,210 | 262 | 3,210 | 262 |
| Bad debt written off | 2 | 1,573 | 10 | 1,751 |
| Bad debt recovered | 1 | - | (7) | - |
| Share of results of associates and joint ventures | (2,986) | (1,545) | (13,207) | (15,754) |
| **Operating cash flows before changes in working capital** | **12,610** | **34,584** | **32,678** | **58,141** |
| **Changes in working capital :-** | | | | |
| Development properties | 40,532 | 59,128 | (29,190) | 4,629 |
| Construction work-in-progress | (66,546) | (37,900) | (60,480) | (41,456) |
| Inventories | 2,488 | (2,466) | 470 | 180 |
| Trade receivables | (9,453) | 7,834 | (29,996) | 48,109 |
| Other receivables and deposits | (10,127) | 3,285 | (4,844) | 1,158 |
| Prepayments | 19 | (809) | 728 | (297) |
| Trade payables, other payables and accruals | 64,438 | (25,918) | 110,802 | (19,050) |
| Balances with joint ventures and associates | 43 | 4,160 | 10,664 | 2,438 |
| | **21,394** | **7,314** | **(1,846)** | **(4,289)** |
| Cash flows from operations | **34,004** | **41,898** | **30,832** | **53,852** |
| Interest paid and capitalised in development properties | (1,430) | (678) | (3,756) | (2,668) |
| Income tax refunded / (paid) | 84 | (11) | (10,778) | (4,368) |
| **Net cash flows from operating activities** | **32,658** | **41,209** | **16,298** | **46,816** |
| **Cash flows from investing activities** | | | | |
| Interest received | 2,740 | 1,874 | 9,929 | 9,806 |
| Dividend income from investment securities | 841 | 505 | 1,887 | 1,085 |
| Dividend income from associates | - | 20,010 | 1,273 | 35,456 |
| Dividend income from a joint ventures | 2,950 | - | 24,860 | 40,750 |
| Purchase of investment securities | (14) | (34,908) | (45,984) | (78,262) |
| Purchase of property, plant and equipment | (886) | 196 | (2,965) | (1,404) |
| (Reduction in) / additions to investment properties | - | (1,060) | (4,060) | (278,616) |
| Proceeds from disposal of investment properties | 104,197 | - | 129,692 | - |
| Repayment of loan by third parties | 773 | 861 | 3,357 | 3,445 |
| Proceeds from disposal of property, plant and equipment | 326 | 259 | 969 | 1,367 |
| (Loans to) / repayment of loans by associates | (51,704) | 1,241 | (59,185) | 3,460 |
| Investment in associates | - | - | (2,440) | - |
| Loans to joint ventures | (16,198) | - | (39,956) | - |
| Proceeds from disposal of investment securities | 2,070 | 4,138 | 21,647 | 48,462 |
| **Net cash flows from / (used in) investing activities** | **45,095** | **(6,884)** | **39,024** | **(214,451)** |
| **Cash flows from financing activities** | | | | |
| Interest paid | (3,623) | (3,166) | (14,404) | (9,977) |
| Repayment of hire purchase creditors | (1,046) | (1,383) | (4,220) | (6,042) |
| (Repayment) / proceeds from bank loans and bills payable | (61,720) | 10,438 | (40,599) | 252,439 |
| Dividend paid on ordinary shares | - | - | (11,243) | (14,990) |
| Proceeds from the Initial Public Offering ("IPO") of shares of SLB Development Ltd ("SLB") | 52,567 | - | 52,567 | - |
| Dividend paid to a non-controlling interests of subsidiaries | (862) | (4,201) | (3,446) | (14,460) |
| Loan from / (repayment of loans to) joint ventures | - | 18,427 | (13,210) | (12,851) |
| Loan from non-controlling interests of subsidiaries | 281 | 400 | 789 | 1,144 |
| Return of capital to a non-controlling interest of a subsidiary | - | (20) | - | (20) |
| **Net cash flows (used in) / from financing activities** | **(14,403)** | **20,495** | **(33,766)** | **195,243** |
| Net increase in cash and cash equivalents | **63,350** | **54,820** | **21,556** | **27,608** |
| Cash and cash equivalents at beginning of the period / year | 145,887 | 133,067 | 187,804 | 160,127 |
| Effect of exchange rate changes on cash and cash equivalents | (23) | (83) | (146) | 69 |
| ***Cash and cash equivalents at end of the period / year** | **209,214** | **187,804** | **209,214** | **187,804** |
| *** Breakdown of cash and cash equivalents at the end of period / year :** | | | | |
| Cash at bank and on hand | 181,002 | 140,781 | 181,002 | 140,781 |
| Fixed deposits | 28,212 | 47,023 | 28,212 | 47,023 |
| Total | **209,214** | **187,804** | **209,214** | **187,804** |

**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 immediate preceding financial year.**

| | Group | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Share Capital** | **Treasury Shares** | **Capital reserve** | **Translation Reserves** | **Fair Value Adjustment Reserves** | **Retained earnings** | **Non-controlling interests** | **Total equity** |
| | S$ '000 | S$ '000 | S$ '000 | S$ '000 | S$ '000 | S$ '000 | S$ '000 | S$ '000 |
| **(i) Group - FY2018** | | | | | | | | |
| **Balance as at 1 June 2017** | 82,275 | (17,777) | (220) | (3,102) | 5,539 | 521,504 | 79,431 | 667,650 |
| Profit for the year | - | - | - | - | - | 54,382 | 2,266 | 56,648 |
| Other comprehensive income | | | | | | | | |
| Net fair value loss on available-for-sale financial assets | - | - | - | - | (2,770) | - | - | (2,770) |
| Foreign currency translation gain / (loss) | - | - | - | 2,209 | - | - | (70) | 2,139 |
| Other comprehensive income for the year, net of tax | - | - | - | 2,209 | (2,770) | - | (70) | (631) |
| **Total comprehensive income for the year** | - | - | - | 2,209 | (2,770) | 54,382 | 2,196 | 56,017 |
| Changes in ownership interests of subsidiaries | | | | | | | | |
| Proceeds from the IPO of shares of SLB | - | - | - | - | - | - | 52,567 | 52,567 |
| Premium on dilution of interest in SLB without a change in control | - | - | 15,361 | - | - | - | (15,361) | - |
| Contribution by and distribution to owners | | | | | | | | |
| Dividends paid to non-controlling interests of subsidiaries | - | - | - | - | - | - | (3,446) | (3,446) |
| Dividends on ordinary shares | | | | | | (11,243) | - | (11,243) |
| **Total transactions with owners in their capacity as owners** | - | - | 15,361 | - | - | (11,243) | 33,760 | 37,878 |
| **Balance as at 31 May 2018** | 82,275 | (17,777) | 15,141 | (893) | 2,769 | 564,643 | 115,387 | 761,545 |
| **(ii) Group - FY2017** | | | | | | | | |
| **Balance as at 1 June 2016** | 82,275 | (17,777) | (220) | (97) | (2,138) | 483,256 | 84,281 | 629,580 |
| Profit for the year | - | - | - | - | - | 53,238 | 9,543 | 62,781 |
| Other comprehensive income | | | | | | | | |
| Net fair value gain on available-for-sale financial assets | - | - | - | - | 5,808 | - | - | 5,808 |
| Net fair value changes on available-for-sale financial assets reclassified to profit or loss | - | - | - | - | 1,869 | - | - | 1,869 |
| Foreign currency translation (loss) / gain | - | - | - | (3,005) | - | - | 87 | (2,918) |
| Other comprehensive income for the year, net of tax | - | - | - | (3,005) | 7,677 | - | 87 | 4,759 |
| **Total comprehensive income for the year** | - | - | - | (3,005) | 7,677 | 53,238 | 9,630 | 67,540 |
| Contribution by and distribution to owners | | | | | | | | |
| Return of capital to an non-controlling interest of a subsidiary | - | - | - | - | - | - | (20) | (20) |
| Dividends paid to non-controlling interests of subsidiaries | - | - | - | - | - | - | (14,460) | (14,460) |
| Dividends on ordinary shares | - | - | - | - | - | (14,990) | - | (14,990) |
| **Total transactions with owners in their capacity as owners** | - | - | - | - | - | (14,990) | (14,480) | (29,470) |
| **Balance as at 31 May 2017** | 82,275 | (17,777) | (220) | (3,102) | 5,539 | 521,504 | 79,431 | 667,650 |

| | Group | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | **Share Capital** | **Treasury Shares** | **Capital reserve** | **Translation Reserves** | **Fair Value Adjustment Reserves** | **Retained earnings** | **Non-controlling interests** | **Total equity** |
| | S$ '000 | S$ '000 | S$ '000 | S$ '000 | S$ '000 | S$ '000 | S$ '000 | S$ '000 |
| **(iii) Group - 4Q FY2018** | | | | | | | | |
| **Balance as at 1 March 2018** | 82,275 | (17,777) | (220) | (2,976) | 6,524 | 527,134 | 79,453 | 674,413 |
| Profit / (loss) for the period | - | - | - | - | - | 37,509 | (336) | 37,173 |
| Other comprehensive income | | | | | | | | |
| Net fair value loss on available-for-sale financial assets | - | - | - | - | (3,755) | - | - | (3,755) |
| Foreign currency translation gain / (loss) | - | - | - | 2,083 | - | - | (74) | 2,009 |
| Other comprehensive income for the period, net of tax | - | - | - | 2,083 | (3,755) | - | (74) | (1,746) |
| **Total comprehensive income for the period** | - | - | - | 2,083 | (3,755) | 37,509 | (410) | 35,427 |
| Changes in ownership interests of subsidiaries | | | | | | | | |
| Proceeds from the IPO of shares of SLB | - | - | - | - | - | - | 52,567 | 52,567 |
| Premium on dilution of interest in SLB without a change in control | - | - | 15,361 | - | - | - | (15,361) | - |
| Contribution by and distribution to owners | | | | | | | | |
| Dividends paid to non-controlling interests of subsidiaries | - | - | - | - | - | - | (862) | (862) |
| **Total transactions with owners in their capacity as owners** | - | - | 15,361 | - | - | - | 36,344 | 51,705 |
| **Balance as at 31 May 2018** | 82,275 | (17,777) | 15,141 | (893) | 2,769 | 564,643 | 115,387 | 761,545 |
| **(iv) Group - 4Q FY2017** | | | | | | | | |
| **Balance as at 1 March 2017** | 82,275 | (17,777) | (220) | 232 | 2,684 | 489,515 | 77,321 | 634,030 |
| Profit for the period | - | - | - | - | - | 31,989 | 6,451 | 38,440 |
| Other comprehensive income | | | | | | | | |
| Net fair value gain on available-for-sale financial assets | - | - | - | - | 2,855 | - | - | 2,855 |
| Foreign currency translation loss | - | - | - | (3,334) | - | - | (120) | (3,454) |
| Other comprehensive income for the period, net of tax | - | - | - | (3,334) | 2,855 | - | (120) | (599) |
| **Total comprehensive income for the period** | - | - | - | (3,334) | 2,855 | 31,989 | 6,331 | 37,841 |
| Contribution by and distribution to owners | | | | | | | | |
| Return of capital to a non-controlling interest of a subsidiary | - | - | - | - | - | - | (20) | (20) |
| Dividends paid to non-controlling interests of subsidiaries | - | - | - | - | - | - | (4,201) | (4,201) |
| **Total transactions with owners in their capacity as owners** | - | - | - | - | - | - | (4,221) | (4,221) |
| **Balance as at 31 May 2017** | 82,275 | (17,777) | (220) | (3,102) | 5,539 | 521,504 | 79,431 | 667,650 |

| | Company | | | | |
|---|---|---|---|---|---|
| | **Share Capital** | **Treasury Shares** | **Fair Value Adjustment Reserves** | **Retained earnings** | **Total equity** |
| **(v) Company - FY2018** | S$ '000 | S$ '000 | S$ '000 | S$ '000 | S$ '000 |
| **Balance as at 1 June 2017** | 82,275 | (17,777) | 5,700 | 95,131 | 165,329 |
| Profit for the year | - | - | - | 77,364 | 77,364 |
| Other comprehensive income | | | | | |
| Net fair value gain on available-for-sale financial assets | - | - | 223 | - | 223 |
| Other comprehensive income for the year, net of tax | - | - | 223 | - | 223 |
| **Total comprehensive income for the year** | - | - | 223 | 77,364 | 77,587 |
| Contribution by and distribution to owners | | | | | |
| Dividends on ordinary shares | - | - | - | (11,243) | (11,243) |
| **Balance as at 31 May 2018** | 82,275 | (17,777) | 5,923 | 161,252 | 231,673 |
| **(vi) Company - FY2017** | | | | | |
| **Balance as at 1 June 2016** | 82,275 | (17,777) | (1,869) | 40,426 | 103,055 |
| Profit for the year | - | - | - | 69,695 | 69,695 |
| Other comprehensive income | | | | | |
| Net fair value gain on available-for-sale financial assets | - | - | 5,700 | - | 5,700 |
| Net fair value changes on available-for-sale financial assets reclassified to profit or loss | - | - | 1,869 | - | 1,869 |
| Other comprehensive income for the year, net of tax | - | - | 7,569 | - | 7,569 |
| **Total comprehensive income for the year** | - | - | 7,569 | 69,695 | 77,264 |
| Contribution by and distribution to owners | | | | | |
| Dividends on ordinary shares | - | - | - | (14,990) | (14,990) |
| **Balance as at 31 May 2017** | 82,275 | (17,777) | 5,700 | 95,131 | 165,329 |
| **(vii) Company - 4Q FY2018** | | | | | |
| **Balance as at 1 March 2018** | 82,275 | (17,777) | 7,317 | 129,408 | 201,223 |
| Profit for the period | - | - | - | 31,844 | 31,844 |
| Other comprehensive income | | | | | |
| Net fair value loss on available-for-sale financial assets | - | - | (1,394) | - | (1,394) |
| Other comprehensive income for the period, net of tax | - | - | (1,394) | - | (1,394) |
| **Total comprehensive income for the period** | - | - | (1,394) | 31,844 | 30,450 |
| **Balance as at 31 May 2018** | 82,275 | (17,777) | 5,923 | 161,252 | 231,673 |
| **(viii) Company - 4Q FY2017** | | | | | |
| **Balance as at 1 March 2017** | 82,275 | (17,777) | 3,800 | 79,078 | 147,376 |
| Profit for the period | - | - | - | 16,053 | 16,053 |
| Other comprehensive income | | | | | |
| Net fair value gain on available-for-sale financial assets | - | - | 1,900 | - | 1,900 |
| Other comprehensive income for the period, net of tax | - | - | 1,900 | - | 1,900 |
| **Total comprehensive income for the period** | - | - | 1,900 | 16,053 | 17,953 |
| **Balance as at 31 May 2017** | 82,275 | (17,777) | 5,700 | 95,131 | 165,329 |

**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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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.**

| | 31-May-18 | |
|---|---|---|
| | Number of Shares (excluding treasury shares) | Share Capital (S$) |
| As at 1 March 2018 | 499,689,200 | 82,275,000 |
| Share buyback during the period | - | - |
| As at 31 May 2018 | 499,689,200 | 82,275,000 |

As at 31 May 2018, the Company held 30,070,800 ordinary shares as treasury shares (31 May 2017: 30,070,800).

As at 31 May 2018, the Company held Nil subsidiary holdings (31 May 2017: Nil).

Total number of issued shares of the Company excluding treasury shares as at 31 May 2018 and 31 May 2017 were 499,689,200 and 499,689,200 shares respectively.

Save for the foregoing, there are no other changes in the Company's share capital arising from rights issue, bonus issue, share buyback, 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 1 March 2018.

**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.**

| | 31-May-18 | 31-May-17 |
|---|---|---|
| Total number of issued shares | 529,760,000 | 529,760,000 |
| Treasury shares | (30,070,800) | (30,070,800) |
| Total number of issued shares, excluding treasury shares | 499,689,200 | 499,689,200 |

**1(d)(iv)** **A statement showing all sales, transfer, disposals, cancellations and/or use of treasury shares as at the end of the current financial period reported on.**

There were no sales, transfers, disposals, cancellations and/or use of treasury shares by the Company during the financial year ended 31 May 2018 and 2017.

**1(d)(v)** **A statement showing all sales, transfer, disposals, cancellations and/or use of subsidiary holdings 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 which standard (e.g. the Singapore Standard on Auditing 910 (Engagements to Review Financial Statements), or an equivalent standard).**

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 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 those disclosed in paragraph 5, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements as at 31 May 2017,

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

The Group adopted the new/revised FRS and interpretations of FRS ("INT FRS") that are effective for annual periods beginning on or after 1 June 2017. Changes to the Group's accounting policies have been made as required, in accordance with transitional provisions in respective FRS and INT FRS. The adoption of new/revised FRS and INT FRS did not result in any substantial changes to the Group's accounting policies or any significant impact on the Group's financial statements.

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

| Earnings per share attributable to equity holders of the Group (cents per share) | Fourth Quarter Ended | | Full Year Ended | |
|---|---|---|---|---|
| | 31-May-18 | 31-May-17 | 31-May-18 | 31-May-17 |
| | | | | |
| (a) On a basic basis | 7.51 | 6.40 | 10.88 | 10.65 |
| (b) On a fully diluted basis | 7.51 | 6.40 | 10.88 | 10.65 |
| Group's profit attributable to the owners of the Company (S$) | 37,509,000 | 31,989,000 | 54,382,000 | 53,238,000 |
| Weighted average number of shares excluding treasury shares | 499,689,200 | 499,689,200 | 499,689,200 | 499,689,200 |

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 | |
|---|---|---|---|---|
| | As at 31-May-18 | As at 31-May-17 | As at 31-May-18 | As at 31-May-17 |
| Net asset value per ordinary share (cents) | 129.31 | 117.72 | 46.36 | 33.09 |
| Number of issued shares excluding treasury shares | 499,689,200 | 499,689,200 | 499,689,200 | 499,689,200 |

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.**

**A) Comprehensive Income Statements**

Group revenue decreased by 13.4% from $281.7 million in FY17 to $243.9 million in FY18. The decrease was mainly due to the decrease in revenue from $87.8 million in FY17 to $35.4 million in FY18 for Property Development segment. This was offset by increase in revenue from $103.5 million in FY17 to $106.4 million in FY18 for the Construction segment and increase in revenue from $10.2 million in FY17 to $20.3 million in FY18 for Investment Holding segment as well as increase in revenue from $56.2 million to $59.5 million in FY18 for the Ready-mixed Concrete segment.

The Group's gross profit decreased by 17.2% from $74.9 million in FY17 to $62.0 million in FY18 mainly due to lower profit from the Property Development segment offset by higher profit from Investment Holding segment.

Other operating income increased from $14.3 million in FY17 to $54.3 million in FY18 mainly due to gain on disposal of investment properties at 247 and 249 Collins Street and 50 Franklin Street, Melbourne, Australia.

Distribution expenses increased from $2.2 million in FY17 to $6.1 million in FY18 mainly due to marketing and leasing fee in connection with the investment property at 50 Franklin Street, Melbourne, Australia, commission paid for the sale of development property at 596 St Kilda Street as well as increase in marketing expenses incurred for sale of industrial property development units at T-Space@Tampines.

Administrative expenses increased from $22.9 million in FY17 to $27.9 million in FY18 mainly due to higher staff costs incurred for FY18, listing expenses incurred in connection with Initial Public Offering ("IPO") of SLB shares on the Catalist of SGX-ST as well as increase in other administrative expenses.

Finance costs increased from $10.0 million in FY17 to $14.4 million in FY18 mainly due to increase in borrowings to finance the purchase of investment securities as well as interest cost incurred for the investment properties located at 50 Franklin Street, Melbourne, Australia and 24 Leng Kee Road, Singapore, which obtained its Temporary Occupation Permit ("TOP') in July 2017.

The share of results of associates and joint ventures declined from $15.8 million in FY17 to $13.2 million in FY18 mainly due to the decrease in share of profits of associates offset by increase in share of profits of joint ventures.

The Group's investment properties comprising commercial assets, dormitory asset, industrial assets and residential assets were fair valued by independent valuers as at 31 May 2018, and a net fair value gain of $9.7 million was recognised in FY18, as compared to a $14.6 million net fair value gain recognised in FY17.

The Group's tax expense increased from $7.4 million in FY17 to $20.5 million in FY18, mainly due to the tax provisions for the gain on disposal of the Group's properties at 247 and 249 Collins Street, 50 Franklin Street and 596 St Kilda Road in Melbourne, Australia.

After taking into account the other operating income, administrative, other operating and finance expenses, share of results of associates and joint ventures, fair value gain of investment properties as well as taxation, the Group recorded a 9.9% decrease in profit after tax of $56.6 million for FY18, compared to $62.8 million for FY17.

**B) Financial Position Statements**

**Non-current assets**

Property, plant and equipment increased from $63.6 million in FY17 to $159.4 million in FY18 mainly due to reclassification of the property at 24 Leng Kee Road from Investment Property to Property, Plant and Equipment offset by depreciation for plant and equipment.

Investment properties decreased from $703.9 million in FY17 to $529.5 million in FY18 mainly due to the disposal of investment properties at 247 and 249 Collins Street, 50 Franklin Street, Melboune, Australia and the reclassification of an investment property at 24 Leng Kee Road to Property, Plant and Equipment. In addition, the Group has reclassified an investment property, Khong Guan Industrial Building located at Mactaggart Road to Development Property.

Investments in joint ventures decreased from $34.5 million in FY17 to $18.6 million in FY18 mainly due to dividends received from joint ventures offset by the share of profits of joint ventures.

Amounts due from associate comprised the interest-bearing loan of $44.9 million given by the Group's 55%-owned subsidiary to an associate of a related company for the development of ASPRI-Westlite Papan dormitory.

Long term investment securities increased from $119.5 million in FY17 to $129.1 million in FY18 mainly due to acquisition of investment securities offset by the redemption and disposal of corporate bonds.

**Current assets**

Development properties increased from $161.4 million in FY17 to $218.5 million in FY18 mainly due to the development costs incurred and the reclassification of Khong Guan Industrial Building from Investment Property to Development Property.

Investment property held for sale decreased from $26.3 million in FY17 to nil in FY18 due to completion of the disposal of the investment properties at 247 and 249 Collins Street, Melbourne, Australia.

Trade receivables increased from $59.1 million in FY17 to $88.8 million in FY18 mainly due to progress billings to customers for the building contracts located at Martin Place, Potong Pasir Avenue 1 and Defu Lane.

Amounts due from joint ventures increased from $37.3 million in FY17 to $69.6 million in FY18 mainly due to loans to finance the purchase of Sembawang Shopping Centre as well as retail and office property at Wilkie Edge, for investment purposes offset by repayment of loan by another joint venture, Spottiswoode Development Pte Ltd.

Amounts due from associates increased from $100.1 million in FY17 to $163.6 million in FY18 mainly due to loan to associates for the property development projects at Riverfront Residences (formerly known as Rio Casa) and The Affinity@Serangoon (formerly known as Serangoon Ville) and Lorong 24 Geylang offset against repayments from associates.

**Current and non-current liabilities**

Progress billings in excess of construction work-in-progress decreased from $59.7 million in FY17 to $4.3 million in FY18 mainly due to profit recognition of construction projects and transfer of accruals of remaining construction costs of completed construction projects to trade and other payables.

Trade and other payables increased from $173.6 million in FY17 to $282.1 million in FY18 mainly due to increase in progress billings to customers for the 51%-owned development property project, T-Space@Tampines as well as accruals of remaining construction cost of completed construction projects.

Amounts due to joint ventures decreased from $17.8 million in FY17 to $4.6 million in FY18 mainly due to dividends declared by the Group's joint ventures offset by the amount due to the joint ventures.

Total borrowings decreased from $687.5 million in FY17 to $645.6 million in FY18 mainly due to loan repayments in connection with the completed development property, Mandai Foodlink, the disposed investment properties at 247 and 249 Collins Street and 50 Franklin Street, Melboune, Australia, the disposed development property at 596 St Kilda Road, Melbourne Australia and partial loan repayments of the 4 retail properties in HDB heartland centrals. This is offset by the proceeds from bank loans to finance developments properties at Lorong 21 Geylang and T-Space @Tampines, the purchase of investment securities as well as general working capital for the Group's construction and property investment business.

**Total Equity**

Capital reserve increased to $15.1 million in FY18 mainly due to premium on dilution of interests in SLB.

Retained earnings increased from $521.5 million in FY17 to $564.6 million in FY18 mainly due to profit for the year offset by dividends paid to the shareholders.

Non-controlling interests ("NCI") increased from $79.4 million in FY17 to $115.4 million in FY18 mainly due to proceeds from the IPO of SLB shares as well as share of profits by NCI offet by dividends paid to the NCI.

**C ) Cash Flow Statements**

Overall, cash and cash equivalents increased by $21.6 million from $187.8 million in FY17 to $209.2 million in FY18, due to net cash from operating activities and investing activities of $16.3 million and $39.0 million respectively, offset by the net cash used in financing activities of $33.8 million.

Net cash from operating activities of $16.3 million in FY18 was mainly due to operating cash flow before changes in working capital of $32.7 million, offset by net working capital outflow of $1.8 million and payment of income tax and interest charges of $14.4 million. Net working capital outflow was mainly due to increase in trade and other receivables, development properties offset by increase in trade and other payables and accruals.

Net cash from investing activities of $39.0 million in FY18 was mainly due to proceeds from disposal of investment properties at 247 and 249 Collins Street, and 50 Franklin Street, redemption and disposal of investment securities, and dividend income from joint ventures offset by purchase of investment securities and loan to joint ventures and associates.

Net cash used in financing activities of $33.8 million in FY18 was mainly attributable to repayment of bank loans and interest, dividends paid to shareholders and loans to joint venture offset by proceeds from the IPO of shares of SLB, bank loans and bills payable.

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

The Group's Fourth Quarter Results is in line with the cautious market outlook previously announced in paragraph 10 of the Third Quarter Results announcement.

**10 A commentary at the date of the announcement of the 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.**

Based on the news release published by Ministry of Trade and Industry Singapore on 13 July 2018, Singapore economy grew by 3.8% on a year-on-year basis in the second quarter of 2018 ("2Q2018"), moderating from the 4.3% growth in the previous quarter. According to the flash estimate of the price index for private residential property for 2Q2018 released by Urban Redevelopment Authority on 2 July 2018, the private property index increased by 4.9 points or 3.4% in 2Q2018 compared to 3.9% increase in the previous quarter. With the various existing property cooling measures, the Group expects prices in the residential property market to remain moderate in year 2018.

In view of the above, the Group is cautiously optimistic of the outlook of the construction market in the next 12 months. Despite the challenging market conditions in the construction industry, the Group's total outstanding value of construction projects in progress stood at $947 million as at 31 May 2018, which will provide a steady flow of activity through FY2022. The Group will continue to tender for public and private sector projects leveraging on its strong track record and proven expertise. The Group will also focus on technologies and innovations to improve productivity and efficiency so as to sustain the competitiveness of the Group in tendering and securing good profitable projects.

The Group's current industrial development, T-Space @Tampines which the Group holds 51% equity interest, has obtained its TOP in June 2018 and sold 93.6% of its development units as at 30 June 2018. The Group's pipeline industrial development project, Mactaggart Foodlink, was launched for sale in May 2018 and sold 60.7% of its development units as at 30 June 2018. Two of the Group's pipeline residential properties projects, namely Affinity @Serangoon and Riverfront Residences which the Group holds 20% equity interests, were launched for sale in June 2018 and July 2018 respectively. The current property market conditions remain challenging and the Group will continue to monitor the market closely and take appropriate action when necessary. The Group is cautious when seeking opportunities to replenish its land bank.

In addition, the Group has expanded its investment property portfolio to generate stable rental income. The Group's 50% owned joint ventures have recently acquired Sembawang Shopping Centre and the retail and office property at Wilkie Edge which will contribute positively to the Group's earnings.

The Group's 49% owned associate, Papan Westlite workers dormitory and training centre in partnership with ASPRI which is currently 100% occupied, and along with its 55%-owned subsidiary, Mandai Westlite workers dormitory which is currently 98% occupied, will generate recurring rental income.

The Group will continue to explore business opportunities locally or in the region through acquisition, joint venture and/or strategic alliances that will complement its construction, property development and property investment businesses.

**11 Dividend**

**(a) Current Financial Period Reported On**

**Any dividend recommended for the current financial period reported on?** **Yes**

| Name of Dividend | Interim | Final | Total |
|---|---|---|---|
| Dividend Type | Cash | Cash | Cash |
| Dividend Rate | $0.0100 | $0.0125 | $0.0225 |
| Tax Rate | Tax-exempt (1-Tier) | Tax-exempt (1-Tier) | Tax-exempt (1-Tier) |

**(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 | Interim | Final | Total |
|---|---|---|---|
| Dividend Type | Cash | Cash | Cash |
| Dividend Rate | $0.0100 | $0.0125 | $0.0225 |
| Tax Rate | Tax-exempt (1-Tier) | Tax-exempt (1-Tier) | Tax-exempt (1-Tier) |

**(c) Date payable.**

The final dividend, if approved at the Annual General Meeting to be held on 27 September 2018, will be paid on 15 October 2018.

**(d) Books closure date.**

Notice is hereby given that the Share Transfer Books and Register of Members of the Company will be closed on 5 October 2018 for the preparation of dividend warrants.

Duly completed registrable transfers received by the Company's Share Registrar, M & C Services Private Limited at 112, Robinson Road, #05-01, Singapore 068902 up to 5.00 pm 5 October 2018 will be registered to determine shareholders' entitlements to such dividend.

Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares as at 5.00 p.m. on 5 October 2018 will be entitled to the proposed dividend.

**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 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.**

Not applicable as no IPT mandate has been obtained.

**14 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 the undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).

**PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT**

**(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**15 Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

**(a) By Business Segments**
**(Figures in $'000)**

| FY2018 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Construction | Dormitory | Manufacturing of Concrete & asphalt | Engineering & Leasing of Construction Machinery | Property Development | Investment Holding | Adjustments/ Eliminations | Group |
| **Revenue** | | | | | | | | |
| External customers | 106,385 | 22,302 | 59,488 | 35 | 35,404 | 20,271 | - | 243,885 |
| Inter-segment | 70,240 | 111 | 10,998 | 11,198 | - | 54,514 | (147,061) | - |
| Total revenue | 176,625 | 22,413 | 70,486 | 11,233 | 35,404 | 74,785 | (147,061) | 243,885 |
| **Results:** | | | | | | | | |
| Interest income | 307 | 1,737 | 116 | 119 | 188 | 8,263 | (328) | 10,402 |
| Finance costs | 391 | 4,495 | 529 | 16 | 612 | 8,689 | (328) | 14,404 |
| Dividend income | 533 | - | - | - | - | 1,354 | - | 1,887 |
| Depreciation of property, plant and equipment | 4,283 | 288 | 7,019 | 2,181 | 23 | 1,016 | (31) | 14,779 |
| Fair value (loss) / gain on investment properties | (10) | - | - | - | - | 5,489 | 4,178 | 9,657 |
| Other non-cash expenses: | | | | | | | | |
| Bad debt written off | 7 | 3 | - | - | - | - | - | 10 |
| Share of results of joint ventures | (1) | - | 5,893 | - | 2,247 | 577 | - | 8,716 |
| Share of results of associates | - | 6,130 | - | - | (1,380) | (259) | - | 4,491 |
| Amortisation of other assets | 183 | - | - | - | - | - | - | 183 |
| Allowance for doubtful trade and non-trade receivables | 10 | - | 250 | - | - | 2,950 | - | 3,210 |
| Segment profit / (loss) | 32,410 | 20,259 | (1,562) | 104 | 6,366 | 42,148 | (22,601) | 77,124 |
| **Assets:** | | | | | | | | |
| Investment in joint ventures | 282 | - | 11,175 | - | 9,710 | (2,472) | (65) | 18,630 |
| Investment in associates | - | 14,618 | - | - | 7,788 | 27,436 | (74) | 49,768 |
| Additions to non-current assets | 5,596 | 55 | 246 | 620 | 311 | 3,334 | (270) | 9,892 |
| Segment assets | 456,688 | 351,597 | 54,191 | 36,664 | 445,946 | 907,294 | (503,741) | 1,748,639 |
| **Segment liabilities** | 183,447 | 176,135 | 42,797 | 4,770 | 320,023 | 623,335 | (363,413) | 987,094 |

| FY2017 | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Construction | Dormitory | Manufacturing of Concrete & Asphalt | Engineering & Leasing of Construction Machinery | Property Development | Investment Holding | Adjustments/ Eliminations | Group |
| **Revenue** | | | | | | | | |
| External customers | 103,464 | 22,866 | 56,222 | 1,092 | 87,809 | 10,212 | - | 281,665 |
| Inter-segment | 100,913 | 148 | 4,390 | 14,912 | 518 | 74,139 | (195,020) | - |
| Total revenue | 204,377 | 23,014 | 60,612 | 16,004 | 88,327 | 84,351 | (195,020) | 281,665 |
| **Results:** | | | | | | | | |
| Interest income | 2,996 | 267 | 37 | 107 | 3,427 | 2,951 | (417) | 9,368 |
| Finance costs | 780 | 2,534 | 586 | 24 | 2,269 | 4,200 | (416) | 9,977 |
| Dividend income | 288 | - | - | - | - | 797 | - | 1,085 |
| Depreciation of property, plant and equipment | 5,202 | 274 | 7,417 | 2,435 | 140 | 24 | (27) | 15,465 |
| Fair value (loss) / gain on investment properties | (60) | (1,800) | - | - | - | 7,144 | 9,279 | 14,563 |
| Other non-cash expenses: | | | | | | | | |
| Bad debt written off | 1,448 | - | - | - | 303 | - | - | 1,751 |
| Share of results of joint ventures | (22) | - | 1,666 | - | 3,940 | (1) | | 5,583 |
| Share of results of associates | - | 2,449 | - | - | 2,773 | 4,949 | - | 10,171 |
| Amortisation of other assets | 183 | - | - | - | - | - | - | 183 |
| Writeback of inventories written down | - | - | (48) | - | - | - | - | (48) |
| Allowance for doubtful trade and non-trade receivables | 175 | - | 72 | - | - | 15 | - | 262 |
| Impairment loss on investment security | - | - | - | - | - | 2,090 | - | 2,090 |
| Segment profit / (loss) | 24,425 | 17,771 | (5,609) | 829 | 18,109 | 15,505 | (822) | 70,208 |
| **Assets:** | | | | | | | | |
| Investment in joint ventures | 433 | - | 5,281 | - | 28,830 | (4) | - | 34,540 |
| Investment in associates | - | 8,488 | - | - | 8,479 | 27,003 | - | 43,970 |
| Additions to non-current assets | 1,483 | 186 | 558 | 312 | 3 | 286,907 | (8,959) | 280,490 |
| Segment assets | 468,180 | 285,139 | 61,627 | 37,450 | 345,040 | 870,368 | (430,600) | 1,637,204 |
| **Segment liabilities** | 223,239 | 183,439 | 44,053 | 5,350 | 242,406 | 693,155 | (422,088) | 969,554 |

**(b) By Geographical Segments**
**(Figures in $'000)**

| | Revenue | | Non-current assets | |
|---|---|---|---|---|
| | FY2018 | FY2017 | FY2018 | FY2017 |
| | S$' 000 | S$' 000 | S$' 000 | S$' 000 |
| Singapore | 207,214 | 280,156 | 688,828 | 711,251 |
| Australia | 36,671 | 1,509 | - | 56,186 |
| Total | 243,885 | 281,665 | 688,828 | 767,437 |

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

Please refer to items 8 and 14.

**17 A breakdown of sales.**

| | Group | | Increase / (Decrease) |
|---|---|---|---|
| | 31-May-18 $'000 | 31-May-17 $'000 | % |
| Sales reported for first half year | 87,638 | 120,022 | -27.0% |
| Operating profit after tax and before deducting NCI reported for first half year | 13,883 | 20,362 | -31.8% |
| Sales reported for second half year | 156,247 | 161,643 | -3.3% |
| Operating profit after tax and before deducting NCI reported for second half year | 42,765 | 42,419 | 0.8% |

**18 A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

| Total annual dividend | Latest Full Year (S$'000) | Previous Full Year (S$'000) |
|---|---|---|
| Ordinary Shares* | 11,243 | 14,990 |
| Preference Shares | - | - |
| Total | 11,243 | 14,990 |

* Please refer to item 11

**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(13) 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, CEO 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 |
|---|---|---|---|---|
| Ong Phang Hoo | 44 | Sibling of Ong Pang Aik, Ong Lay Huan and Ong Lay Koon. | Project Director. He is responsible for monitoring and overseeing the progress of the Group's construction projects. He is involved with resolution of onsite technical issues and management of materials utilisation. Position held since 1999. | N.A. |
| Ong Phang Hui | 44 | Sibling of Ong Pang Aik, Ong Lay Huan and Ong Lay Koon. | Plant and Machinery Director. He is responsible for a range of duties from overseeing the maintenance and repair of the Group's plants and machinery, coordination of Group's scaffolding projects and monitoring the progress of the construction projects. He is also a director of Sinmix Pte Ltd where he manages the operations and sale of ready-mix concrete. Within the Group, he also runs the asphalt, sand quarry and vessel charter division. Position held since 1999. | N.A. |
| Ong Lee Yap | 52 | Sibling of Ong Pang Aik, Ong Lay Huan and Ong Lay Koon. | Purchasing Director. She is responsible for the administration of foreign workers' wages, materials procurement and logistics. Position held since 1999. | N.A. |
| Ong Eng Keong, Matthew | 36 | Son of Ong Pang Aik. Nephew of Ong Lay Huan and Ong Lay Koon | Executive Director and Chief Executive Officer of SLB Development Ltd ("SLB"), a subsidiary of the Company and listed on the Catalist of SGX-ST with effect from 20 April 2018. | He has resigned as Executive Director of Lian Beng Realty Pte Ltd, a wholly-owned subsidiary of the Company, on 29 January 2018. |
| Ong Sui Hui | 39 | Daughter of Ong Pang Aik. Niece of Ong Lay Huan and Ong Lay Koon | Contracts Manager. She manages a team of Quantity Surveyors and oversees tenders and all subcontract matters with effect from 1 July 2012. | N.A. |

Note:

Ong Pang Aik (Chairman and Managing Director and Substantial Shareholder).

Ong Lay Huan (Director and Substantial Shareholder) and Ong Lay Koon (Director) are siblings.

**BY ORDER OF THE BOARD**

Ong Pang Aik
Chairman and Managing Director
26-Jul-2018