

**FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT
FOR THE FULL YEAR ENDED 30 JUNE 2016**

This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor") for compliance with the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

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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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.**

Statement of Comprehensive Income	Group		Change %
	FY2016 S\$'000	FY2015 S\$'000	
Revenue	148,055	128,374	15.3
Cost of works	(137,928)	(117,598)	17.3
Gross profit	10,127	10,776	(6.0)
Other income	1,253	2,337	(46.4)
Other losses	(551)	(324)	70.1
Expenses			
Distribution and marketing	(400)	(418)	(4.3)
Administrative	(7,758)	(8,003)	(3.1)
Finance	(190)	(146)	30.1
	(8,348)	(8,567)	(2.6)
Profit before income tax	2,481	4,222	(41.2)
Income tax expense	(518)	(485)	6.8
Net profit	1,963	3,737	(47.5)
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Currency translation differences arising from consolidation	(198)	(313)	(36.7)
Total comprehensive income for the period	1,765	3,424	(48.5)
Net profit attributable to:			
Equity holders	2,096	4,239	(50.6)
Non-controlling interests	(133)	(502)	(73.6)
	1,963	3,737	(47.5)
Total comprehensive income attributable to:			
Equity holders	1,898	3,926	(51.7)
Non-controlling interests	(133)	(502)	(73.6)
	1,765	3,424	(48.5)

Notes to Consolidated Statement of Comprehensive Income

The Group's profit before tax is arrived at after charging / (crediting):	FY2016 S\$'000	FY2015 S\$'000	Change %
Equipment handling income	(290)	(406)	(28.6)
Dormitory income	(730)	(1,784)	NM
Rental income	(32)	(46)	NM
Gain on disposal of property, plant and equipment	*	(8)	NM
Government grant and subsidy	(94)	(51)	84.3
Insurance compensation	(4)	(16)	(75.0)
Settlement claim	(65)	-	NA
Depreciation of property, plant and equipment-cost of works	1,263	888	42.2
Depreciation of property, plant and equipment-administrative	1,074	1,286	(16.5)
Depreciation of investment properties-administrative	6	6	0.0
Interest expense	190	146	30.1
Loss on sale of inventory	36	-	NA
Allowance on impairment of property, plant and equipment	245	-	NA
Currency translation loss	269	324	(17.0)

NM denotes not meaningful

NA denotes not applicable

* Denotes amount less than S\$1,000.00

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.

Statement of Financial Position	Note	Group		Company	
		30-Jun-16 S\$'000	30-Jun-15 S\$'000	30-Jun-16 S\$'000	30-Jun-15 S\$'000
ASSETS					
Current assets					
Cash and cash equivalents		11,170	5,592	289	242
Trade and other receivables	A	27,261	41,429	6,368	6,247
Inventories		125	977	-	-
Construction contract work-in-progress		37	54	-	-
Development properties		35,871	31,980	-	-
Other current assets		1,148	657	20	17
Total current assets		75,612	80,689	6,677	6,506
Non-current assets					
Investment in subsidiaries		-	-	19,772	20,122
Property, plant and equipment		5,272	7,697	-	-
Investment properties		223	229	-	-
Deferred income tax assets		16	94	-	-
Total non-current assets		5,511	8,020	19,772	20,122
Total assets		81,123	88,709	26,449	26,628
LIABILITIES					
Current liabilities					
Trade and other payables	B	26,864	31,966	2,959	645
Borrowings		3,994	5,883	2,000	4,000
Current income tax liabilities		503	393	7	7
Total current liabilities		31,361	38,242	4,966	4,652
Non-current liabilities					
Borrowings		23,247	24,256	-	-
Deferred income tax liabilities		174	245	-	-
Total non-current liabilities		23,421	24,501	-	-
Total liabilities		54,782	62,743	4,966	4,652
NET ASSETS		26,341	25,966	21,483	21,976
Equity					
Share capital		15,196	15,196	15,196	15,196
Retained profits		14,120	13,384	6,287	6,780
Currency translation reserve		(513)	(315)	-	-
Other reserve		(52)	-	-	-
Merger reserve		(2,014)	(2,014)	-	-
Equity attributable to equity holders of the Company		26,737	26,251	21,483	21,976
Non-controlling interests		(396)	(285)	-	-
Total equity		26,341	25,966	21,483	21,976

	Group		Company	
	30-Jun-16 S\$'000	30-Jun-15 S\$'000	30-Jun-16 S\$'000	30-Jun-15 S\$'000
Note A: Trade and other receivables				
<u>Trade receivables</u>				
Non-related parties	2,686	4,559	-	-
Subsidiary corporations	-	-	969	848
Unbilled revenue	1,055	-	-	-
	3,741	4,559	969	848
<u>Construction contracts:</u>				
Due from customers	20,370	34,989	-	-
Project retention	3,141	1,830	-	-
<u>Non-trade receivables:</u>				
Non-related parties	3	15	-	-
Non-controlling interests	-	30	-	-
Subsidiary corporations	-	-	5,399	5,399
Staff advances	6	6	-	-
	27,261	41,429	6,368	6,247

	Group		Company	
	30-Jun-16 S\$'000	30-Jun-15 S\$'000	30-Jun-16 S\$'000	30-Jun-15 S\$'000
Note B: Trade and other payables				
<u>Trade payables</u>				
Non-related parties	11,054	15,143	35	46
Non-controlling interests	562	176	-	-
<u>Construction contracts:</u>				
Due to customers	475	110	-	-
<u>Non-trade payables:</u>				
Non-related parties	219	-	-	-
Director	2	5	-	5
Non-controlling interests	200	200	-	-
Subsidiary corporations	-	-	2,657	345
Deposits	37	67	-	-
Accrued operating expenses	14,315	16,265	267	249
	26,864	31,966	2,959	645

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

	30-Jun-2016		30-Jun-2015	
	Secured	Unsecured	Secured	Unsecured
Repayable in one year or less, or on demand (S\$'000)	3,994	-	5,883	-
Repayable after one year (S\$'000)	23,247	-	24,256	-

Details of any collateral

The Group's existing borrowings were secured by, amongst others, deed of charge over contract proceeds and receivables and mortgages over the Group's properties. Finance lease liabilities of the Group are effectively secured over the leased machinery.

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

Consolidated Statement of Cash Flows	FY2016 S\$'000	FY2015 S\$'000
Cash flows from operating activities		
Net profit	1,963	3,737
<u>Adjustments for:</u>		
Income tax expense	518	485
Depreciation	2,343	2,180
Gains on disposal of property, plant and equipment	*	(8)
Interest expense	190	146
Allowance on impairment of property, plant and equipment	245	-
Unrealised currency translation differences	104	(304)
	5,363	6,236
Changes in working capital		
Trade and other receivables	14,168	(14,491)
Other current assets	(491)	(234)
Trade and other payables	(5,102)	11,423
Inventories	852	(977)
Construction contract work-in-progress	17	122
Additions to development properties	(3,891)	(17,673)
Cash provided by / (used in) operations	10,916	(15,594)
Income tax paid	(401)	(431)
Net cash provided by / (used in) operating activities	10,515	(16,025)
Cash flows from investing activities		
Additions to property, plant and equipment	(341)	(3,620)
Acquisition of additional equity interest in subsidiary corporation	(30)	-
Proceeds from disposal of property, plant and equipment	*	8
Net cash used in investing activities	(371)	(3,612)
Cash flows from financing activities		
Dividends paid	(1,360)	(1,360)
Repayment of finance leases	(356)	(356)
Proceeds from borrowings	-	17,878
Repayment of borrowings	(2,667)	(667)
Interest paid	(190)	(146)
Net cash (used in) / provided by financing activities	(4,573)	15,349
Net increase / (decrease) in cash and cash equivalents	5,571	(4,288)
Cash and cash equivalents		
Beginning of the financial period	5,592	9,889
Effect of currency translation on cash and cash equivalents	7	(9)
End of the financial period	11,170	5,592

* Denotes amount less than S\$1,000.00

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

Statement of Changes in Equity	Share capital	Retained profits	Currency translation reserve	Merger reserve	Other reserve	Equity attributable to equity holders of the Company	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group								
As at 1 July 2015	15,196	13,384	(315)	(2,014)	-	26,251	(285)	25,966
Dividend relating to 2015	-	(1,360)	-	-	-	(1,360)	-	(1,360)
Acquisition of additional equity interest in subsidiary corporation	-	-	-	-	(52)	(52)	22	(30)
Total comprehensive income for the year	-	2,096	(198)	-	-	1,898	(133)	1,765
As at 30 June 2016	15,196	14,120	(513)	(2,014)	(52)	26,737	(396)	26,341
As at 1 July 2014	15,196	10,505	(2)	(2,014)	(2,014)	23,685	217	23,902
Dividend relating to 2014	-	(1,360)	-	-	-	(1,360)	-	(1,360)
Total comprehensive income for the year	-	4,239	(313)	-	-	3,926	(502)	3,424
As at 30 June 2015	15,196	13,384	(315)	(2,014)	(2,014)	26,251	(285)	25,966
The Company								
As at 1 July 2015	15,196	6,780	-	-	-	21,976	-	21,976
Dividend relating to 2015	-	(1,360)	-	-	-	(1,360)	-	(1,360)
Total comprehensive income for the year	-	867	-	-	-	867	-	867
As at 30 June 2016	15,196	6,287	-	-	-	21,483	-	21,483
As at 1 July 2014	15,196	248	-	-	-	15,444	-	15,444
Dividend relating to 2014	-	(1,360)	-	-	-	(1,360)	-	(1,360)
Total comprehensive income for the year	-	7,892	-	-	-	7,892	-	7,892
As at 30 June 2015	15,196	6,780	-	-	-	21,976	-	21,976

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the Company's share capital since the end of the previous financial period reported on.

The Company did not have any outstanding options, convertibles or treasury shares as at 30 June 2016 and 30 June 2015.

- 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.

170,000,000 ordinary shares were issued as at 30 June 2016 (30 June 2015: 170,000,000 ordinary shares).

There were no treasury shares as at the end of the current financial year and as at the end of the immediately preceding financial year.

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

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

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

The figures have not been audited or reviewed by the auditors of the Company.

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

Not applicable.

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

Save as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the Group's financial statements for the current financial year compared to the most recently audited financial statements for the financial year ended 30 June 2015.

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

The Group has adopted all new and revised Singapore Financial Reporting Standards ("FRSs") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the financial year beginning on or after 1 July 2015, where applicable. The adoption of these new and revised standards from the effective date did not result in any material impact to the financial statements of the Group for the current financial year reported on.

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	
	FY2016	FY2015
Profit attributable to equity holders of the Company (S\$'000)	2,096	4,239
Weighted average number of ordinary shares used in the computation of basic and diluted EPS ('000)	170,000	170,000
Basic and fully diluted earnings per share (Singapore cents)	1.23	2.49

The diluted and basic EPS are the same for FY2016 and FY2015 as there were no potentially dilutive ordinary shares as at 30 June 2016 and 30 June 2015.

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.

Net Asset Value per ordinary share ¹	Group		Company	
	30-Jun-16 Singapore Cents	30-Jun-15 Singapore Cents	30-Jun-16 Singapore Cents	30-Jun-15 Singapore Cents
Net asset value per ordinary share based on issued share capital	15.49	15.27	12.64	12.93

¹ The net asset value per ordinary share for the Group and the Company as at 30 June 2016 and 30 June 2015 is computed based on the share capital of the Company of 170,000,000 shares.

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.
REVIEW OF FINANCIAL PERFORMANCE
Revenue

Our revenue increased by approximately S\$19.7 million or 15.3% from approximately S\$128.4 million in FY2015 to approximately S\$148.1 million in FY2016. The increase in revenue was mainly due to higher revenue contribution for work completed for on-going projects. These projects include, among others, revenue from construction works relating to alteration and addition works, new building works, home improvement program works and term contract works.

Cost of works, gross profit and gross profit margin

Our cost of works increased by approximately S\$20.3 million or 17.3% from approximately S\$117.6 million in FY2015 to approximately S\$137.9 million in FY2016. The increase in cost of works was mainly attributable to higher cost incurred for materials, subcontracting and projects overheads which was in line with the increase in work done for on-going projects. Our gross profit margin declined by approximately 1.6 percentage points from 8.4% in FY2015 to 6.8% in FY2016 due to higher increase in cost of works as a result of cost over-run for certain projects in FY2016.

Other income

Our other income decreased by approximately S\$1.1 million or 46.4%, from approximately S\$2.3 million in FY2015 to approximately S\$1.2 million in FY2016. This was mainly due to lower dormitory income contribution of approximately S\$1.0 million as the lease ended during the first half of FY2016 and lower equipment handling income of approximately S\$0.1 million as one of the the land leases for the equipment handling ended during FY2016.

Other losses

Our other losses increased by approximately S\$0.2 million or 70.1%, from approximately S\$0.3 million in FY2015 to approximately S\$0.5 million in FY2016. This was mainly due to allowance on impairment of property, plant and equipment of approximately S\$0.2 million and currency translation loss of the Malaysian ringgit arising at our Malaysia subsidiaries of approximately S\$0.1 million.

Distribution and marketing expenses

Distribution and marketing expenses decreased by approximately S\$18,000 or 4.3%, from approximately S\$418,000 in FY2015 to approximately S\$400,000 in FY2016, mainly due to lower entertainment expenses.

Administrative expenses

Our administrative expenses decreased by approximately S\$0.2 million or approximately 3.1% from approximately S\$8.0 million in FY2015 to S\$7.8 million in FY2016. The decrease was mainly due to lower: (i) depreciation of approximately S\$0.2 million from our workers dormitories, (ii) repair and maintenance of approximately S\$0.5 million for our workers dormitory and (iii) donation to institutions of public character and expenses incurred for the upkeep of factory of approximately S\$0.1 million, offset by higher: (i) payroll expenses of approximately S\$0.2 million mainly as a result of CPF contributions, bonus and salary adjustments, (ii) licence fee for our precast business of approximately S\$0.2 million and (iii) tender fee, legal fee and bank charges of approximately S\$0.2 million.

Finance expenses

The finance costs increased by approximately S\$44,000 or 30.1%, from approximately S\$146,000 in FY2015 to approximately S\$190,000 in FY2016 mainly due to more interest paid on short-term loans for funding our working capital, and these short-term loans were drawn down towards the second half of FY2015.

Income tax expense

The overall effective tax rate was 21.3% and 11.5% for FY2016 and FY2015 respectively. The Singapore statutory corporate tax rate for both years of assessment remained at 17.0%. The increase in our effective tax rate for FY2016 was mainly due to certain government tax incentives being fully utilised in FY2015. Comparatively, the decrease in our effective tax rate for FY2015 was mainly due to the utilisation of government tax incentives.

Net profit

As a result of the above, our net profit decreased by approximately S\$1.9 million or approximately 47.5% from approximately S\$3.7 million in FY2015 to S\$1.9 million in FY2016.

REVIEW OF FINANCIAL POSITION

Current assets

The Group's current assets decreased by approximately S\$5.1 million or 6.3% from approximately S\$80.7 million as at 30 June 2015 to approximately S\$75.6 million as at 30 June 2016, mainly due to decrease in trade and other receivables of approximately S\$14.2 million and reduction of inventories of approximately S\$0.9 million, offset by increase in cash and cash equivalents of approximately S\$5.6 million, capitalisation of costs for the development properties in Singapore and Malaysia of approximately S\$3.9 million and higher deposits placed for services in relation to our development properties and utilities of approximately S\$0.5 million.

The decrease in trade and other receivables was mainly due to the decrease in amount due from contract customers of approximately S\$14.6 million as a result of lower unbilled amounts for project works performed until 30 June 2016 as most projects were nearing completion, and a decrease in trade receivables by approximately S\$1.9 million (as certain works performed of approximately S\$1.1 million were not billed at 30 June 2016 and included as unbilled revenue), offset by higher project retention sum of approximately S\$1.3 million.

Non-current assets

Non-current assets decreased by approximately S\$2.5 million from approximately S\$8.0 million as at 30 June 2015 to approximately S\$5.5 million as at 30 June 2016. The decrease was mainly attributable to depreciation expenses of approximately S\$2.3 million.

Current liabilities

The Group's current liabilities decreased by approximately S\$6.9 million or 18.0% from approximately S\$38.2 million as at 30 June 2015 to approximately S\$31.4 million as at 30 June 2016, due to repayment of borrowings of approximately S\$1.9 million, decrease in trade and other payables of approximately S\$5.1 million, and offset by an increase in income tax liabilities of approximately S\$0.1 million.

The decrease in trade and other payables was mainly due to the decrease in trade payables of approximately S\$4.0 million resulting from prompt payment to sub-contractors and lower accrued operating expenses of approximately S\$2.0 million as certain cost of works incurred were not yet billed by subcontractors as at 30 June 2016, offset by higher trade payables to non-controlling interests of approximately S\$0.4 million, higher amount due to contract customers of approximately S\$0.4 million for works performed but not recognised as revenue as at 30 June 2016 and higher non-trade payables to third parties of approximately S\$0.2 million.

Non-current liabilities

The increase in non-current liabilities of approximately S\$1.0 million or 4.4% was mainly due to repayment of bank borrowings.

Shareholders' equity

As at 30 June 2016, the shareholders' equity stood at approximately S\$26.3 million, as compared to approximately S\$26.0 million as at 30 June 2015. The increase of approximately S\$0.3 million was mainly attributable to current period net profit of approximately S\$1.9 million, offset by the payment of dividends of approximately S\$1.4 million and higher translation loss of approximately S\$0.2 million.

The Group continued to register a net current assets (excluding development properties) of approximately S\$8.4 million as at 30 June 2016 compared to S\$10.5 million as at 30 June 2015.

REVIEW OF CASH POSITION

Cash and cash equivalents stood at approximately S\$11.2 million as at 30 June 2016, representing an increase of approximately S\$5.6 million from approximately S\$5.6 million as at 30 June 2015.

In FY2016, net cash provided by operating activities was approximately S\$10.5 million. This was mainly due to operating cash inflows before working capital changes of approximately S\$5.4 million, adjusted for net working capital inflows of approximately S\$5.6 million and income tax paid of approximately S\$0.4 million. The net working capital inflows was mainly due to a decrease in trade and other receivables of approximately S\$14.1 million and inventories of approximately S\$0.9 million, offset by decrease in trade and other payables of approximately S\$5.1 million, additions to development properties of approximately S\$3.9 million and other current assets of approximately S\$0.5 million.

Net cash used in investing activities during FY2016 was approximately S\$0.3 million, mainly due to additions of property, plant and equipment.

Net cash used in financing activities during FY2016 was approximately S\$4.6 million, mainly due to repayment of bank borrowings and finance leases of approximately S\$2.7 million and S\$0.4 million respectively, interest paid on borrowings of approximately S\$0.2 million and dividend payment of approximately S\$1.4 million.

9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.
Not applicable. The Company did not make any forecast or prospect statement.

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 expects competition for public sector projects to be intense and will continue to tender for new projects prudently. Our existing pipeline of construction projects stood at approximately S\$95.8 million as at the date of this announcement.

Our precast manufacturing plant in Johor is fully operational and has been supplying the precast building components for third party public sector project.

In Singapore, the Group has eight units of freehold cluster houses located at 21 Paya Lebar Crescent under development. Despite the headwind in the local property market, we are cautiously optimistic about prospect of our development. In Malaysia (Senai Industrial Park, Johor), the Phase 1 (total of 3 Phases) of our freehold medium industrial factories has began construction in accordance to schedule.

11 Dividend
(a) Current Financial Period Reported On

Yes

Name of Dividend:	First and Final
Dividend Type:	Cash
Dividend Rate:	S\$0.004 per ordinary share
Tax Rate:	1-tier tax-exempt

(b) Corresponding Period of the Immediately Preceding Financial Year

Yes

Name of Dividend:	First and Final
Dividend Type:	Cash
Dividend Rate:	S\$0.008 per ordinary share
Tax Rate:	1-tier tax-exempt

(c) Date payable:

The proposed dividend, if approved at the forthcoming annual general meeting, will be paid out at a later date to be announced.

(d) Books closure date:

The book closure date will 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 persons 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.

There were no IPT of S\$100,000 and above for the financial year ended 30 June 2016.

The Group does not have a general mandate from shareholders for IPTs.

14 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company hereby confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR RESULTS

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

The reportable segment presentation is based on the Group's management and internal reporting structure used for its strategic decision-making purposes. Currently, the business segments operate in Singapore and Malaysia.

Investment holding is not included within the reportable operating segments, as the activity is not included in the reports provided to the Board of Directors. The results of these operations, if any, are included in the "unallocated segments".

The Group's activities comprise the following reportable segments:

General building which involved in construction & building and maintenance works such as excavation, piling, sub-structures and superstructures works, architectural works, aluminium cladding and curtain walling and mechanical and engineering works, supply and installation of furniture or interior fitting-out works, external works and landscaping.

Precast manufacturing which involved in trading and manufacturing of concrete precast products.

Properties investment which involved investment in and trading of development of residential and industrial properties.

Soil investigation which involved soil investigation treatment and stabilisation, research and experimental development on engineering.

Business segment (Group)	FY2016					
	General building S\$'000	Precast manufacturing S\$'000	Properties investment S\$'000	Soil investigation S\$'000	Elimination S\$'000	Total S\$'000
Revenue						
External	146,942	491	-	622	-	148,055
Inter-segment	1,772	3,959	-	98	(5,829)	-
	148,714	4,450	-	720	(5,829)	148,055
Gross profit	9,103	911	-	388	(275)	10,127
Other income						1,253
Unallocated costs						(8,709)
Finance expense						(190)
Profit before income tax						2,481
Income tax expense						-
Net profit						2,481
Net profit includes:						
Depreciation	1,519	819	5	-	-	2,343
Segment assets	26,504	2,187	36,199	-	-	64,890
Total segment assets includes						
Additions to property, plant and equipment	303	30	8	-	-	341
Additions to development properties	-	-	3,891	-	-	3,891
Segment liabilities	12,210	2,490	22,726	-	-	37,425

Business segment (Group)	FY2015					
	General building S\$'000	Precast manufacturing S\$'000	Properties investment S\$'000	Soil investigation S\$'000	Elimination S\$'000	Total S\$'000
Revenue						
External	128,185	189	-	-	-	128,374
Inter-segment	-	2,553	-	-	(2,553)	-
	128,185	2,742	-	-	(2,553)	128,374
Gross profit / (loss)	11,125	(318)	-	-	(31)	10,776
Other income						2,337
Unallocated costs						(8,745)
Finance expense						(146)
Profit before income tax						4,222
Income tax expense						(485)
Net profit						3,737
Net profit includes:						
Depreciation	1,786	394	-	-	-	2,180
Segment assets	43,950	4,577	31,996	-	-	80,523
Total segment assets includes						
Additions to property, plant and equipment	1,013	2,681	11	-	-	3,705
Additions to development properties	-	-	17,673	-	-	17,673
Segment liabilities	28,686	5,592	22,617	-	-	56,895

Geographical segment

Segment assets are based on the geographical location of the assets. The Group's general building activities are domiciled in Singapore and its joint venture precast manufacturing company was established in Johor, Malaysia since September 2013.

	Group		
	Non-current assets		
	As at 30 June 2016 S\$'000	As at 30 June 2015 S\$'000	Change %
Singapore	3,466	4,685	(26.0)
Malaysia	2,029	3,241	(37.4)
	5,495	7,926	(30.7)

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

General building

Total revenue for General building activities increased by approximately S\$20.5 million from approximately S\$128.2 million in FY2015 to approximately S\$148.7 million in FY2016. The increase in revenue was mainly due to higher revenue contribution from our pipeline of on-going projects. These projects include, among others, revenue from construction works relating to alteration and addition works, new building works, home improvement program works, design and build of upgrading projects and term contract works.

Gross profit decreased by approximately S\$2.0 million or 18.0% from approximately S\$11.1 million in FY2015 to approximately S\$9.1 million in FY2016 and gross profit margin decreased by 2.6 percentage points to 6.1% in FY2016 due to cost over-run for certain projects.

Precast manufacturing

Our precast manufacturing recorded an increase in revenue of approximately S\$1.8 million, from S\$2.7 million in FY2015 to S\$4.5 million in FY2016. The increase in revenue was due to higher sales derived from within the Group for FY2016 as precast production commenced in January 2015.

Gross profit for FY2016 was S\$0.9 million compared to a gross loss of S\$0.3 million in FY2015. The reversal from a gross loss to gross profit position was mainly attributable to operational efficiency and economy of scale from higher production volume.

Soil investigation

In FY2016 Soil investigation recorded maiden revenue of contribution of approximately S\$0.7 million. Approximately 86.4% of this revenue was derived from third parties and 13.6% was derived within the Group.

17 A breakdown of sales as follows:

	Group		
	FY2016 S\$'000	FY2015 S\$'000	Change %
<u>Sales reported for:</u>			
The first half year	81,687	59,920	36.3
The second half year	66,368	68,454	(3.0)
	148,055	128,374	15.3
<u>Operating profit after tax before deducting:</u>			
The first half year	1,390	580	139.7
The second half year	573	3,157	(81.8)
	1,963	3,737	(47.5)

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

Total annual dividend (Refer to paragraph 11 for the details).

	Latest full year (S\$'000)	Previous full year (S\$'000)
Ordinary	680	1,360
Preference	-	-
Total	2,040	1,360

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 is 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
Loy Yan Ru	31	Niece of Phua Lam Soon, the Chief Executive of the Company and Ong Siew Eng, an Executive Director of the Company.	Administration and Human Resource Manager since May 2009. Oversees the Group's human resource management and administrative matters including recruitment, staff remuneration and staff insurance matters. In addition, she is also involved in dealing with feedback from the public in relation to certain upgrading and home improvement projects undertaken by the Group.	Not applicable

BY ORDER OF THE BOARD

Phua Lam Soon
Chief Executive Officer

26 August 2016