



CHINESE GLOBAL INVESTORS GROUP LTD.

(Incorporated in Singapore)
(Company Registration Number: 196600189D)

Unaudited Financial Statements and Dividend Announcement for the Fourth Quarter And Financial Year Ended 30 June 2017

29 August 2017

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. 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 assumes no responsibility for the contents of this announcement, including the accuracy, completeness and correctness of any of the information, statements or opinions made or reports contained in this announcement.

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CHINESE GLOBAL INVESTORS GROUP LTD.
(Incorporated in the Republic of Singapore)
(Company Registration No. 196600189D)

Fourth Quarter and Full Year Financial Statements for the Financial Year Ended 30 June 2017

PART 1 - INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2, Q3), HALF-YEAR AND FULL YEAR RESULTS

1(a) A statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Note	Group Full Year Ended		+/-
		30-Jun-17 (Unaudited)	30-Jun-16 (Audited)	
		S\$	S\$	%
Continuing Operations				
Revenue		10,987,148	10,545,379	4.2
Cost of Sales		(8,802,054)	(7,775,324)	13.2
Gross Profit		2,185,094	2,770,055	(21.1)
Other Income	i	411,831	247,448	66.4
Distribution Expenses		(993,383)	(1,107,565)	(10.3)
Administrative Expenses		(3,246,348)	(3,369,300)	(3.6)
Other Expenses	ii	(961,008)	(3,021,569)	(68.2)
Finance Cost		(240,675)	(70,385)	241.9
Loss before Income Tax	iii	(2,844,489)	(4,551,316)	(37.5)
Income Tax Expense		(230)	(23,356)	(99.0)
Loss for the Year from continuing operations		(2,844,719)	(4,574,672)	(37.8)
Discontinued Operations				
Loss for the Year from discontinued operations		(101,784)	(105,856)	NM
Loss for the Year		(2,946,503)	(4,680,528)	(37.0)
Other comprehensive loss:				
Currency translation difference arising from consolidation		(73,283)	(56,550)	29.6
Other comprehensive loss for the year, net of tax		(73,283)	(56,550)	29.6
Total comprehensive loss for the year		(3,019,786)	(4,737,078)	(36.3)
Loss for the year attributable to Owners of the Company		(2,946,503)	(4,680,528)	(37.0)
Total Comprehensive Loss Attributable to Owners of the Company		(3,019,786)	(4,737,078)	36.3

NM – Not Meaningful

(i) Other income includes the following:

	<u>Group</u>	
	<u>Full Year Ended</u>	
	30 June 2017	30 June 2016
	Unaudited	Audited
	S\$	S\$
Write back of allowance for doubtful debts	65,121	-
Bad debts recovered	10,613	23,976
Dividend income	-	1,242
Foreign translation gain, net	7,292	-
Amounts due to third parties written off	-	34,942
Gain on disposal of property, plant and equipment	-	150
Gain on disposal of an associate	-	716
Gain on disposal of subsidiaries, net	178,441	-
Government grants/subsidies	29,334	53,063
Interest income	12,824	10,927
Technical service provided to sub-contractors	-	27,327
Licence fee	72,500	70,000
Sundry income	35,706	25,105
	411,831	247,448

(ii) Other expenses include the following:

	<u>Group</u>	
	<u>Full Year Ended</u>	
	30 June 2017	30 June 2016
	Unaudited	Audited
	S\$	S\$
Allowance for doubtful debts	78,618	40,608
Bad debts written off	4,477	-
Fair value loss on held-for-trading investments	-	1,968,757
Inventory written off	-	2,211
Impairment on goodwill	-	212,863
Loss on disposal of held-for-trading investments	782,617	757,042
Loss on disposal of property, plant and equipment	94,262	-
Provision for stock obsolescence	238	-
Foreign exchange loss, net	-	1,170
Sundry expense	796	38,918
	961,008	3,021,569

(iii) Loss before income tax is arrived at after charging the following:

	30 June 2017		30 June 2016	
	Unaudited		Audited	
	S\$	S\$	S\$	S\$
Amortisation of intangible assets	4,989	788		
Depreciation of property, plant and equipment	119,949	141,411		

(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.

	<u>Group</u>		<u>Company</u>	
	30 June 2017 Unaudited S\$	30 June 2016 Audited S\$	30 June 2017 Unaudited S\$	30 June 2016 Audited S\$
<u>ASSETS</u>				
<u>Non-current assets:</u>				
Property, plant and equipment	366,003	539,860	-	402
Intangible assets	11,475	2,715	-	-
Subsidiaries	-	-	963,340	963,340
Goodwill	-	351,914	-	-
Total non-current assets	377,478	894,489	963,340	963,742
<u>Current assets:</u>				
Inventories	1,023,604	783,154	-	-
Gross amount due from contract customers	347,536	209,611	-	-
Trade and other receivables	5,194,810	5,715,518	254,973	252,579
Held-for-trading investments	-	894,020	-	-
Available-for-sale investments	14,104	14,791	-	-
Cash and bank balances	1,550,365	1,254,122	1,935	15,784
Income tax recoverable	38,669	17,330	-	-
Total current assets	8,169,088	8,888,546	256,908	268,363
Total assets	8,546,566	9,783,035	1,220,248	1,232,105
<u>LIABILITIES AND EQUITY</u>				
<u>Current liabilities:</u>				
Trade and other payables	5,122,423	4,852,169	692,325	805,551
Provision for warranty	131,996	127,477	-	-
Gross amount due to contract customers	60,470	89,059	-	-
Lease obligations	33,610	38,185	-	-
Bank overdrafts	245,865	85,796	-	-
Short term borrowing	2,330,399	913,940	-	-
Total current liabilities	7,924,763	6,106,626	692,325	805,551
<u>Non-current liabilities:</u>				
Lease obligations	51,688	85,298	-	-
Deferred tax liabilities	4,144	5,354	-	-
Total non-current liabilities	55,832	90,652	-	-
<u>Capital and reserves:</u>				
Share capital	40,310,404	40,310,404	40,310,404	40,310,404
Statutory reserve	346,410	346,410	-	-
Foreign currency translation reserves	(898,780)	(825,497)	-	-
Fair value reserve	15,706	15,706	-	-
Reserve on put option	49,247	49,247	-	-
Accumulated losses	(39,257,016)	(36,310,513)	(39,782,481)	(39,883,850)
Total equity	565,971	3,585,757	527,923	426,554
Total liabilities and equity	8,546,566	9,783,035	1,220,248	1,232,105
Working capital	244,325	2,781,920		
Total borrowings	2,661,562	1,123,219		
Gross gearing (times)*	4.70	0.31		

*Gross gearing = total borrowings/total equity

1(b)(ii) Aggregate amount of group's borrowings and debt securities**Amount repayable in one year or less, or on demand**

As at 30 June 2017 (Unaudited) S\$		As at 30 June 2016 (Audited) S\$	
Secured	Unsecured	Secured	Unsecured
279,475	2,330,399	586,109	451,812

Amount repayable after one year

As at 30 June 2017 (Unaudited) S\$		As at 30 June 2016 (Audited) S\$	
Secured	Unsecured	Secured	Unsecured
51,688	-	85,298	-

Details of any collaterals

The Group's secured borrowings comprised of bank overdrafts and finance leases.

Short-term borrowings of S\$nil (30 June 2016: S\$462,128) were secured on the Group's held-for-trading investments.

Bank overdrafts of S\$245,865 (30 June 2016: S\$85,796) were secured on fixed deposits pledged.

Finance leases of S\$85,298 (30 June 2016: S\$123,483) were secured on the plant and equipment. The net book value of these plant and equipment as at 30 June 2017 was S\$159,295 (30 June 2016: S\$233,947).

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

	Group	
	Full Year Ended	
	30 June 2017	30 June 2016
	Unaudited	Audited
	S\$	S\$
Cash flows from operating activities		
Loss before income tax - continuing operations	(2,844,489)	(4,551,316)
Loss before income tax - discontinued operation	(101,784)	(105,856)
Loss before income tax, total	(2,946,273)	(4,657,172)
Amortisation of intangible assets	4,989	788
Allowances for doubtful debts written back	(65,121)	-
Allowances for doubtful debts	78,618	146,963
Bad debts written off	4,477	12,821
Bad debts recovered	(10,613)	(23,976)
Depreciation of property, plant and equipment	119,949	141,411
Dividend income	-	(1,242)
Fair value loss on held-for-trading investment	-	1,968,757
Foreign exchange loss/(gain)	3,220	(2,216)
Impairment loss of goodwill	-	212,863
Interest expense	240,675	70,385
Interest income	(12,824)	(10,927)
Inventory written off	-	2,211
Loss on disposal of held-for-trading investment	782,617	757,042
Loss/(gain) on disposal of plant and equipment	94,262	(150)
Gain on disposal of associate	-	(716)
Gain on disposal of subsidiaries, net	(178,441)	-
Provision for foreseeable loss written back	-	(2,258)
Provision for warranty	60,000	117,189
Reversal of provision for warranty	-	(59,514)
Operating loss before working capital changes	(1,824,465)	(1,327,741)
Changes in working capital:		
Trade and other receivables	308,446	304,252
Amount due from/to contract customers	(173,319)	(30,778)
Inventories	(250,997)	302,720
Net decrease of held-for-trading investment	139,197	461,898
Trade and other payables	840,233	(249,210)
Provision for warranty	(55,481)	(97,799)
Cash used in operations	(1,016,386)	(636,658)
Interest paid	(13,133)	(70,385)
Income tax paid	(24,046)	(144,153)
Net cash used in operating activities	(1,053,565)	(851,196)
Cash flows from investing activities		
Dividends received	-	1,242
Interest received	12,824	10,927
Net cash outflow from disposal of a subsidiary	(9,025)	-
Proceeds from disposal of plant and equipment	7,573	1,507
Proceeds from disposal of associate	-	716
Purchase of plant and equipment	(52,719)	(12,958)
Purchase of intangible assets	(13,750)	-
Amount due from a related party	4,000	-
Net cash outflow on acquisition of a subsidiary	-	(176,659)
Deposit received for disposal of subsidiaries	-	200,000
Net cash (used in)/from investing activities	(51,097)	24,775

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year – cont'd

	Group	
	Full Year Ended	
	30 June 2017	30 June 2016
	Unaudited	Audited
	S\$	S\$
Cash flows from financing activities		
Net repayments from finance leases	(38,185)	(61,912)
Proceeds from short term borrowing	1,710,198	1,067,577
Repayment of short term borrowing	(401,897)	(110,469)
Withdrawal of fixed deposit pledged	(10,384)	(10,888)
Net cash from financing activities	1,259,732	884,308
Net effect of exchange rate changes in consolidating subsidiaries		
Net increase in cash and cash equivalents	141,186	57,887
Cash and cash equivalents at beginning of year	435,571	395,371
Cash and cash equivalents at end of year	576,757	435,571
	30 June 2017	30 June 2016
	Unaudited	Audited
	S\$	S\$
Cash at end of year includes the following:		
Cash and bank balances	1,550,365	1,254,122
Bank overdrafts	(245,865)	(85,796)
	1,304,500	1,168,326
Restricted cash	(727,743)	(732,755)
Cash and cash equivalents at end of year	576,757	435,571

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	Share Capital	Statutory Reserve	Foreign Currency Translation Reserve	Fair Value Reserve on AFS	Reserve on Put Options	Accumulated Losses	Total Equity
	S\$	S\$	S\$	S\$	S\$	S\$	S\$
Balance at 1 July 2015 (Audited)	40,310,404	346,410	(768,947)	15,706	49,247	(31,629,985)	8,322,835
Loss for the year	-	-	-	-	-	(4,680,528)	(4,680,528)
Other comprehensive loss, net of tax	-	-	-	-	-	-	-
-Currency translation differences arising from consolidation	-	-	(56,550)	-	-	-	(56,550)
Total comprehensive loss for the year	-	-	(56,550)	-	-	(4,680,528)	(4,737,078)
Balance at 30 June 2016 (Audited)	40,310,404	346,410	(825,497)	15,706	49,247	(36,310,513)	3,585,757
Balance at 1 July 2016 (Unaudited)	40,310,404	346,410	(825,497)	15,706	49,247	(36,310,513)	3,585,757
Loss for the year	-	-	-	-	-	(2,946,503)	(2,946,503)
Other comprehensive loss, net of tax	-	-	-	-	-	-	-
-Currency translation differences arising from consolidation	-	-	(73,283)	-	-	-	(73,283)
Total comprehensive loss for the year	-	-	(73,283)	-	-	(2,946,503)	(3,019,786)
Balance at 30 June 2017 (Unaudited)	40,310,404	346,410	(898,780)	15,706	49,247	(39,257,016)	565,971

Company	Share Capital	Accumulated Losses	Total
	S\$	S\$	S\$
Balance at 1 July 2015 (Audited)	40,310,404	(39,597,002)	713,402
Total comprehensive loss for the year	-	(286,848)	(286,848)
Balance at 30 June 2016 (Audited)	40,310,404	(39,883,850)	426,554
Balance at 1 July 2016 (Unaudited)	40,310,404	(39,883,850)	426,554
Total comprehensive profit for the year	-	101,369	101,369
Balance at 30 June 2017 (Unaudited)	40,310,404	(39,782,481)	527,923

1(d)(ii) 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 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 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.

	<u>Number of Shares</u>	<u>Share Capital (\$)</u>
As at 31 March 2017	915,977,500	40,310,404
As at 30 June 2017	915,977,500	40,310,404

The Group did not grant any options or shares pursuant to its share plan and option scheme and did not have any treasury shares, convertibles or subsidiary holdings as at 30 June 2017 and 30 June 2016. Accordingly, the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding is nil% as at 30 June 2017 and 30 June 2016.

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.

	30 June 2017	30 June 2016
Total number of issued shares excluding treasury shares	915,977,500	915,977,500

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

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

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. The Group did not have any subsidiary holdings 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 standard or practice.

The figures have not been audited or 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 disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the financial year, compared with those of the most recently audited financial statements for the financial year ended 30 June 2016.

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 a number of new Financial Reporting Standards, amendments to standards and interpretations that are effective for annual periods beginning on and after 1 July 2016. The adoption of these new standards, amendments to standards and interpretations did not result in any significant impact on the financial statements of the Company and 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	
	Full Year Ended	
	30-Jun-17 (Unaudited)	30-Jun-16 (Audited)
(i) Basic and fully diluted loss per share ("LPS") (Singapore cents)	(0.31)	(0.50)
(ii) Weighted average number of ordinary shares issued used in the computation of basic and diluted EPS	915,977,500	915,977,500

Basic and diluted earnings per share are the same as there were no potentially dilutive ordinary shares during the respective financial years.

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

	Group		Company	
	30 June 2017 (Unaudited)	30 June 2016 (Audited)	30 June 2017 (Unaudited)	30 June 2016 (Audited)
Net asset value per ordinary share (Singapore cents)	0.06	0.39	0.06	0.05
Total number of issued ordinary shares	915,977,500	915,977,500	915,977,500	915,977,500

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 affect the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Consolidated Statement of Comprehensive Income

Revenue

	FY2017	FY2016	+ / (-) %
	S\$'000	S\$'000	
Waterproofing business	10,987	10,545	4.2

	FY2017	FY2016	+ / (-) %
	S\$'000	S\$'000	
Singapore	7,555	7,000	7.9
Malaysia	1,762	1,646	7.0
China	325	808	(59.8)
Indian sub-continent	643	631	1.9
Others	702	460	52.6
Total	10,987	10,545	4.2

The Group's revenue increased by approximately 4.2% to S\$10.99 million in FY2017 mainly attributable to an increase in revenue from the waterproofing business, arising from greater completion of work for its Singapore and Malaysia waterproofing projects, partially offset by subdued economic conditions in China. Following the disposal of Hong Kong loan financing subsidiary, the revenue contribution has been reclassified to discontinued operations.

Gross Profit

The Group's gross profit decreased 21.1% from S\$2.77 million in FY2016 to S\$2.19 million in FY2017. The Group recorded a lower gross margin of 19.9% in FY2017 relative to that of 26.3% in FY2016 mainly due to higher manpower costs and subcontracting costs for the waterproofing business.

Other Income

Other income increased 66.4% or S\$0.16 million from S\$0.25 million in FY2016 to S\$0.41 million in FY2017, mainly due to allowance for doubtful debt written back of S\$0.07 million and gain on disposal of subsidiary of S\$0.18 million in FY2017.

Distribution Expenses

Distribution expenses decreased 10.3% to S\$1.00 million in FY2017 from S\$1.11 million in FY2016. The decrease was primarily due to lower overseas travelling expenses and lower third party administrative fees for the establishment of sales and marketing infrastructures under the waterproofing business.

Administrative Expenses

Administrative expenses decreased 3.6 % to S\$3.25 million in FY2017 from S\$3.37 million in FY2016 largely due to lower rental for the Hong Kong subsidiary and the absence of R&D expenses under the waterproofing business, offset by higher computer expenses and one-off legal and professional fees incurred by the Company.

Other Expenses

Other expenses decreased from S\$3.02 million in FY2016 to S\$0.96 million in FY2017, due largely to the absence of fair value loss on held-for-trading investments of S\$1.97 million, and absence of impairment of goodwill of S\$0.21 million both recognized in FY2016.

Finance Cost

Finance costs increased 241.9% from S\$0.07 million in FY2016 to S\$0.24 million in FY2017 due to higher short term borrowings and utilisation of bank overdrafts in FY2017.

Income Tax Expense

Income tax expense decreased from S\$0.02 million in FY2016 to S\$230 due to a tax refund of S\$0.06 million pertaining to prior financial year offset by higher income tax expense in Malaysia subsidiaries (in relation to the higher revenue) in FY2017.

Review of Consolidated Statement of Financial Position

Total Assets (Current and Non-Current)

Total assets as at 30 June 2017 of S\$8.55 million represented a 12.6% decrease from S\$9.78 million as at 30 June 2016 mainly due to a decrease in held-for-trading investments, goodwill, and trade and other receivables, partly offset by an increase in inventories, gross amount due from contract customers and cash and bank balances.

Property, plant and equipment decreased from S\$0.54 million as at 30 June 2016 to S\$0.37 million as at 30 June 2017, due mainly to the disposal of plant and equipment relating to the waterproofing business.

Goodwill was *nil* as at 30 June 2017 as compared to S\$0.35 million as at 30 June 2016, due to the disposal of Success Finance as at 27 March 2017.

Inventories increased by S\$0.24 million from S\$0.78 million as at 30 June 2016 to S\$1.02 million as at 30 June 2017 due to increased stocking of inventories in 4Q2017 for delivery in the next financial period.

Gross amount due from contract customers increased by S\$0.14 million from S\$0.21 million as at 30 June 2016 to S\$0.35 million as at 30 June 2017 due mainly to higher amounts owing from certain customers relating to completed claims certification works under our waterproofing subsidiaries.

Trade and other receivables decreased by approximately S\$0.52 million from S\$5.72 million as at 30 June 2016 to S\$5.19 million as at 30 June 2017, mainly due to a decrease in retention sums contributed by waterproofing projects nearing completion.

The fair value of held-for-trading investments was *nil* as at 30 June 2017 as compared to S\$0.89 million as at 30 June 2016, due to disposal of the quoted equity investments.

Total Liabilities (Current and Non-Current)

Total liabilities increased 28.8% or S\$1.78 million from S\$6.20 million as at 30 June 2016 to S\$7.98 million as at 30 June 2017, mainly due to an increase in trade and other payables, bank overdrafts and short term borrowing.

Trade and other payables as at 30 June 2017 increased 5.6% or S\$0.27 million to S\$5.12 million from S\$4.85 million as at 30 June 2016, due to increased claims certification made by waterproofing contract customers for completed works.

Bank overdraft increased by 186.6% or S\$0.16 million to S\$0.25 million as a result of higher utilization of bank overdrafts granted to waterproofing business.

Short-term borrowings increased from S\$0.91 million as at 30 June 2016 to S\$2.33 million as at 30 June 2017, as a result of an unsecured loan undertaken by its Hong Kong subsidiary – CGI (HK) Limited and waterproofing business in Shanghai.

Review of Consolidated Statement of Cash Flows

FY2017

	FY2017	FY2016
	S\$'000	S\$'000
Net cash used in operating activities	(1,054)	(851)
Net cash (used in)/generated from investing activities	(51)	25
Net cash generated from financing activities	1,260	884
Net increase in cash and cash equivalents	141	58
Cash and cash equivalents for the financial year	577	436

Net cash from operating activities

The Group recorded a net cash outflow from operating activities of approximately S\$1.05 million mainly due to the loss before income tax (continuing operations) of S\$2.84 million, offset by loss on disposal of held-for-trading investments of S\$0.78 million and net working capital changes of S\$0.81 million.

Net cash used in investing activities

The Group recorded a net cash outflow from investing activities of S\$0.05 million, compared to a net cash inflow of S\$0.02 million in FY2016, mainly due to purchase of property, plant and equipment.

Net cash used in financing activities

The Group recorded a net cash inflow from financing activities of S\$1.26 million, due mainly to net proceeds from short term borrowing.

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

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

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 believes that given the current economic climate, prospects in the next 12 months will continue to be challenging, notwithstanding that business confidence among contractors has improved slightly compared to a year ago.

With competitive margin pressures persisting, fee margins are projected to decline in anticipation of keen competition. The Group will continue to be prudent in cost management and actively identify new potential markets and suitable opportunities for growth. As part of its growth

strategies, the Group will continue to explore for revenue/profit accretive acquisitions and pursue investment opportunities beyond Singapore as and when they arise.

11. Dividend

If a decision regarding dividend has been made:-

(a) Whether an interim (final) dividend has been declared (recommended); and

No dividend has been declared or recommended for FY2017.

**(b) (i) Amount per share (cents)
(Optional) Rate (%)**

Not applicable.

**(b) (ii) Previous corresponding period (cents)
(Optional) Rate (%)**

No dividend has been declared or recommended for FY2016.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated.)

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers receive by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

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

No dividend has been declared or recommended for FY2017.

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 a general mandate from shareholders for IPTs and no IPTs of S\$100,000 and above were carried out for the financial year ended 30 June 2017.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 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) Business Segments:

	Waterproofing		Financial Services and Investment Business		Loan Financing Business (Discontinued Operations)		Consolidated	
	FY2017	FY2016	FY2017	FY2016	FY2017	FY2016	FY2017	FY2016
	S\$	S\$	S\$	S\$	S\$	S\$	S\$	S\$
REVENUE								
External sales	10,987,148	10,545,379	-	-	-	-	10,987,148	10,545,379
Inter-segment sales	-	-	-	-	-	-	-	-
	10,987,148	10,545,379	-	-	-	-	10,987,148	10,545,379
RESULTS								
Segment results	(724,538)	(85,094)	(1,031,454)	(3,808,714)	(101,784)	(105,856)	(1,857,776)	(3,999,664)
Unallocated Corporate expenses							(860,646)	(598,051)
Interest expense							(240,675)	(70,385)
Interest income							12,824	10,927
Loss before income tax							(2,946,273)	(4,657,172)
Income tax expense							(230)	(23,356)
Loss for the year							(2,946,503)	(4,680,528)
BALANCE SHEET								
Segment assets	8,379,576	8,175,849	104,256	1,280,663	-	232,036	8,483,832	9,688,547
Unallocated assets							62,734	94,488
							8,546,566	9,783,035
Segment liabilities	5,114,154	4,056,003	2,174,116	1,231,330	-	76,841	7,288,270	5,364,174
Deferred tax liabilities	(4,144)	(5,354)					(4,144)	(5,354)
							7,284,126	5,358,819
Unallocated liabilities							696,469	838,459
							7,980,595	6,197,278
OTHER INFORMATION								
Capital expenditure	52,719	84,202	-	-	-	-	52,719	84,202
Depreciation and amortisation	123,239	134,839	1,699	7,360	-	-	124,938	142,199
Allowances for doubtful debts	78,618	40,608	-	-	-	106,355	78,618	146,963
Allowances for doubtful debts written back	(65,121)	-	-	-	-	-	(65,121)	-
Loss on disposal of held-for-trading investment	-	-	782,617	757,042			782,617	757,042

(B) Geographical Segments:

The Group's revenue from external customers are based on location of customers and information about the segment assets are based on geographical area in which the assets are located.

	Revenue		Non- Current assets	
	FY2017	FY2016	FY2017	FY2016
	S\$	S\$	S\$	S\$
Singapore	7,554,931	7,000,189	187,380	210,720
Malaysia	1,761,965	1,646,190	137,762	160,800
People's Republic of China	324,661	808,355	51,347	168,823
Hong Kong	-	-	989	354,146
Indian sub-continent	642,810	631,212	-	-
Others	702,781	459,433	-	-
	10,987,148	10,545,379	377,478	894,489

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

As disclosed in paragraph 8 above.

17. A breakdown of sales

	FY2017	FY2016	Increase / (Decrease)
	S\$	S\$	%
Sales reported for first half year	5,815,661	5,906,735	(1.5)
Operating loss after tax and before deducting minority interests reported for the first half year	(1,654,920)	(1,249,176)	32.5
Sales reported for second half year	5,171,487	4,638,644	11.5
Operating loss after tax and before deducting minority interests reported for the second half year	(1,189,799)	(3,325,496)	64.2

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:-

Not applicable.

19. Disclosure of person occupying a managerial position in the issuer or any of its principals 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

The Board of Directors confirms that there is no person occupying managerial position in the Company or any of its principal subsidiaries who is a relative of a director, executive officer or substantial shareholder of the Company as at the date of this announcement.

20. 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 confirms that it has procured undertakings from all of its directors and executive officers in the required format.

BY ORDER OF THE BOARD

So Yuen Chun
Executive Director

29 August 2017