



LUM CHANG HOLDINGS LIMITED

Company Registration No.: 198203949N
(Incorporated in the Republic of Singapore)

Third Quarter Financial Statements And Dividend Announcement (Unaudited) For The Period Ended 31 March 2014

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

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

Consolidated Income Statement

	Note	GROUP			GROUP		
		Quarter Ended		Increase/ (Decrease)	Nine Months Ended		Increase/ (Decrease)
		31.03.2014	31.03.2013		31.03.2014	31.03.2013	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue		46,747	124,614	(62)	228,391	391,640	(42)
Cost of sales	(1)	(33,956)	(111,003)	(69)	(194,985)	(353,398)	(45)
Gross profit		12,791	13,611	(6)	33,406	38,242	(13)
Other gains - net	(2)	385	860	(55)	537	1,734	(69)
Expenses							
- Distribution and marketing		(1,230)	(1,032)	19	(2,857)	(2,701)	6
- Administrative and general		(5,926)	(6,564)	(10)	(16,486)	(14,350)	15
- Finance		(794)	(215)	269	(1,728)	(239)	623
Share of profits/(losses) of associated companies and joint venture		150	(5)	(3,100)	13,026	(18)	(72,467)
Profit before income tax	(3)	5,376	6,655	(19)	25,898	22,668	14
Income tax expense	(4)	(417)	(1,968)	(79)	(2,743)	(5,868)	(53)
Profit for the period		4,959	4,687	6	23,155	16,800	38
Attributable to:							
Equity holders of the Company		3,238	2,863	13	20,208	11,933	69
Non-controlling interests		1,721	1,824	(6)	2,947	4,867	(39)
		4,959	4,687	6	23,155	16,800	38

1 (a) Continuation...

Notes to the income statement :

(1) Cost of sales comprised mainly construction cost and property development cost.

(2) Other gains - (net) comprised the following :

	GROUP			GROUP		
	Quarter Ended		Increase/	Nine Months Ended		Increase/
	31.03.2014	31.03.2013	(Decrease)	31.03.2014	31.03.2013	(Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Currency translation (loss)/gain - net (i)	(210)	135	(256)	(1,816)	(23)	7,796
Loss on acquisition of a subsidiary	(6)	-	NM *	(6)	-	NM *
(Loss)/Gain on disposal of property, plant and equipment - net (ii)	(5)	142	(104)	215	310	(31)
Loss on disposal of club memberships	(2)	-	NM *	(4)	-	NM *
Interest income	167	151	11	511	456	12
Government grants (iii)	197	-	NM *	1,002	213	370
Others - net (iv)	244	432	(44)	635	778	(18)
	385	860	(55)	537	1,734	(69)

(i) The currency translation loss for the quarter under review arose mainly in respect of the translation of Sterling Pound denominated cash and cash equivalents. The currency translation gain for the corresponding period last year arose mainly in respect of the Company's Malaysian Ringgit denominated receivables.

(ii) The gain on disposal of property, plant and equipment - net for the corresponding period last year mainly relates to a gain on disposal of construction machinery.

(iii) Government grants for the quarter under review of S\$197,000 relates to a grant received from a government productivity scheme for a construction project.

(iv) Others - net for the quarter under review and the corresponding period last year partly relates to maintenance service income from the Group's property developments in Malaysia.

(3) Profit before tax is arrived at after (charging)/crediting the following (other than in (2) above):

	GROUP			GROUP		
	Quarter Ended		Increase/	Nine Months Ended		Increase/
	31.03.2014	31.03.2013	(Decrease)	31.03.2014	31.03.2013	(Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(a) Amortisation of club memberships	(14)	(14)	-	(44)	(44)	-
(b) Depreciation of property, plant and equipment (v)	(1,281)	(955)	34	(4,003)	(2,435)	64
(c) Dividend income from available-for-sale financial assets	-	-	-	229	201	14
(d) Interest expense (vi)	(794)	(215)	269	(1,728)	(239)	623
(e) Property, plant and equipment written off	(15)	(14)	7	(19)	(16)	19
(f) Share option expense	(50)	(54)	(7)	(132)	(164)	(20)

(v) The higher depreciation of S\$1.3 million for the quarter under review as compared to S\$955,000 for the corresponding period last year was mainly due to an increase in depreciation expense of S\$258,000 on the Group's building, furniture and fittings at Kung Chong Road.

(vi) The increase in interest on borrowings of S\$579,000 for the quarter under review as compared to the corresponding period last year was mainly due to interest expense on bank loans obtained to fund the purchase of two freehold properties in the United Kingdom. The properties were acquired in February 2013 and January 2014.

Note *: "NM" denotes not meaningful

1 (a) Continuation...

Notes to the income statement :

(4) Income tax expense attributable to results is made up of:

	GROUP			GROUP		
	Quarter Ended 31.03.2014 S\$'000	31.03.2013 S\$'000	Increase/ (Decrease) %	Nine Months Ended 31.03.2014 S\$'000	31.03.2013 S\$'000	Increase/ (Decrease) %
Current income tax						
- Singapore (vii)	(296)	(749)	(60)	(1,630)	(2,121)	(23)
- Foreign (viii)	(887)	(350)	153	(2,663)	(2,832)	(6)
	<u>(1,183)</u>	<u>(1,099)</u>	8	<u>(4,293)</u>	<u>(4,953)</u>	(13)
Deferred income tax						
- Singapore	(14)	-	NM *	-	-	NM *
- Foreign (ix)	(314)	(869)	(64)	461	(915)	(150)
	<u>(328)</u>	<u>(869)</u>		<u>461</u>	<u>(915)</u>	
Overprovision in prior financial years						
- Current income tax (x)	1,094	-	NM *	1,089	-	NM *
	<u>(417)</u>	<u>(1,968)</u>	(79)	<u>(2,743)</u>	<u>(5,868)</u>	(53)

(vii) Current income tax - Singapore for the quarter under review decreased by 60% to S\$296,000 compared to the corresponding period last year. The decrease was mainly due to lower profits earned by a subsidiary of the Group in Singapore.

(viii) The higher current income tax - foreign of S\$887,000 for the quarter under review was mainly due to higher profits recognised by one of the Group's subsidiary in Malaysia.

(ix) The deferred income tax - foreign for the quarter under review and the corresponding period last year was mainly due to the completion of construction of certain development phases by a Malaysia subsidiary, upon which the deferred income tax assets previously provided (on profit recognised based on the percentage-of-completion method) were transferred to the income statement. The higher deferred income tax - foreign for the corresponding period last year was mainly due to more units completed during the corresponding period last year as compared to quarter under review.

(x) The overprovision of current income tax of S\$1.1 million for the quarter under review relates to the reversal of a provision for a prior financial year's income tax of a subsidiary in Singapore, following an agreed tax assessment with IRAS.

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

Consolidated Statement of Comprehensive Income

	GROUP			GROUP		
	Quarter Ended 31.03.2014 S\$'000	31.03.2013 S\$'000	Increase/ (Decrease) %	Nine Months Ended 31.03.2014 S\$'000	31.03.2013 S\$'000	Increase/ (Decrease) %
Profit for the period	4,959	4,687	6	23,155	16,800	38
Other comprehensive income/(losses):						
Items that may be reclassified subsequently to profit or loss:						
Foreign currency translation differences arising from consolidation (a)	381	(1,100)	(135)	2,677	(1,110)	(341)
Fair value gains on available-for-sale financial assets	32	10	220	28	39	(28)
Other comprehensive income/(losses) for the period, net of tax	413	(1,090)	(138)	2,705	(1,071)	(353)
Total comprehensive income for the period	5,372	3,597	49	25,860	15,729	64
Total comprehensive income attributable to:						
Equity holders of the Company	3,701	1,741	113	23,216	10,854	114
Non-controlling interests	1,671	1,856	(10)	2,644	4,875	(46)
	<u>5,372</u>	<u>3,597</u>	49	<u>25,860</u>	<u>15,729</u>	64

(a) Foreign currency translation differences for the quarter under review and the corresponding period last year mainly relates to the exchange differences on the Company's retranslated foreign currency denominated long-term loans extended to wholly-owned subsidiaries and the loans are regarded to form part of the net investment in the subsidiaries. The Company has extended loans to subsidiaries to partly finance the acquisition of investment properties in the United Kingdom. The exchange gain of S\$381,000 during the quarter under review and the exchange loss of S\$1.1 million during the corresponding period last year was mainly due to an appreciation and depreciation of the Sterling Pound respectively.

Note *: "NM" denotes 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.

	GROUP		COMPANY	
	31.03.2014 S\$'000	30.06.2013 S\$'000	31.03.2014 S\$'000	30.06.2013 S\$'000
ASSETS				
<u>Current assets</u>				
Cash and cash equivalents	80,400	63,648	7,880	2,981
Trade and other receivables	47,528	113,478	58,429	109,481
Tax recoverable	20	91	-	-
Properties held for sale	4,456	8,452	-	-
Development properties	97,885	99,641	-	-
Available-for-sale financial assets	1,500	1,500	-	-
Other current assets	3,735	4,712	315	118
	235,524	291,522	66,624	112,580
<u>Non-current assets</u>				
Trade and other receivables	45,118	39,792	107,755	31,794
Club memberships	427	505	279	309
Available-for-sale financial assets	3,741	3,713	558	529
Investment in joint venture	316	338	-	-
Investments in associated companies	13,047	-	-	-
Investments in subsidiaries	-	-	15,843	15,843
Investment properties	172,216	108,437	-	-
Property, plant and equipment	43,844	47,721	1,217	1,696
Deferred income tax assets	2,921	2,554	-	-
	281,630	203,060	125,652	50,171
Total assets	517,154	494,582	192,276	162,751
LIABILITIES				
<u>Current liabilities</u>				
Trade and other payables	161,143	193,971	55,345	56,937
Current income tax liabilities	2,491	5,061	-	-
Borrowings	28,943	19,586	20,174	255
	192,577	218,618	75,519	57,192
<u>Non-current liabilities</u>				
Trade and other payables	14,055	14,219	-	-
Borrowings	109,241	79,434	320	613
Deferred income tax liabilities	1,837	1,852	58	58
	125,133	95,505	378	671
Total liabilities	317,710	314,123	75,897	57,863
NET ASSETS	199,444	180,459	116,379	104,888
EQUITY				
<u>Capital and reserves attributable to the equity holders of the Company</u>				
Share capital	84,176	84,060	84,176	84,060
Treasury shares	(1,744)	(2,194)	(1,744)	(2,194)
Capital & other reserves	23,379	20,346	4,224	4,171
Retained profits	81,991	69,249	29,723	18,851
Shareholders' equity	187,802	171,461	116,379	104,888
Non-controlling interests	11,642	8,998	-	-
Total equity	199,444	180,459	116,379	104,888

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

Group borrowings excluding finance leases:

Amount repayable in one year or less, or on demand

As at 31.03.2014		As at 30.06.2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
8,170	20,000	18,208	-

Amount repayable after one year

As at 31.03.2014		As at 30.06.2013	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
108,100	-	77,712	-

Details of any collateral:

1) S\$9.9 million (RM25.6 million) development loans

- Legal mortgage over development properties of two subsidiaries in Malaysia
- Fixed and floating charges over all of the assets of the two Malaysian subsidiaries

2) S\$106.4 (£42.6 million and S\$17.0 million) million term loans

- Legal mortgages over leasehold properties owned by two subsidiaries in Singapore and freehold properties owned by two subsidiaries in Jersey, Channel Islands

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

	GROUP		GROUP	
	Quarter Ended		Nine Months Ended	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	S\$'000	S\$'000	S\$'000	S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit for the period	4,959	4,687	23,155	16,800
Adjustments for:				
Income tax expense	417	1,968	2,743	5,868
Share of (profits)/losses of associated companies and joint venture	(150)	5	(13,026)	18
Amortisation of club memberships	14	14	44	44
Depreciation of property, plant & equipment	1,281	955	4,003	2,435
Dividend income from available-for-sale financial assets	-	-	(229)	(201)
Loss/(Gain) on disposal of property, plant and equipment - net	5	(142)	(215)	(310)
Loss on acquisition of a subsidiary	6	-	6	-
Loss on disposal of club memberships	2	-	4	-
Interest income	(167)	(151)	(511)	(456)
Interest expense	794	215	1,728	239
Property, plant and equipment written off	15	14	19	16
Share option expense	50	54	132	164
Unrealised currency translation differences	(302)	(889)	(3,937)	(986)
Operating cash flow before working capital changes	6,924	6,730	13,916	23,631
Changes in working capital, net of effects from acquisition of subsidiaries				
Trade and other receivables (a)	15,363	1,746	55,526	(17,356)
Other current assets (b)	5,836	10,468	977	1,067
Construction contract work-in-progress	-	-	-	420
Development properties/properties held for sale (c)	4,694	9,995	6,501	22,486
Trade and other payables (d)	(14,105)	8,290	(32,206)	21,833
Cash generated from operations	18,712	37,229	44,714	52,081
Income tax paid	(2,441)	(2,681)	(5,679)	(5,322)
Net cash provided by operating activities	16,271	34,548	39,035	46,759
CASH FLOWS FROM INVESTING ACTIVITIES				
Dividends received from available-for-sale financial assets	-	-	229	201
Expenditure on investment properties (e)	(57,300)	(79,896)	(58,122)	(85,399)
Investment in an associated company	-	-	-	(300)
Interest income received	172	88	1,057	308
Proceeds from disposal of club memberships	15	-	30	-
Proceeds from disposal of property, plant and equipment	13	156	3,202	4,870
Purchase of property, plant and equipment (f)	(361)	(4,453)	(4,010)	(12,274)
Loan to a non-related company	-	-	(3,557)	-
Advances and repayment from an associated company	-	-	14,493	-
Advances to associated companies	-	-	(600)	(16,104)
Net cash used in investing activities	(57,461)	(84,105)	(47,278)	(108,698)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash and cash equivalents released from pledge/(pledged)	221	13	(876)	(202)
Dividends paid	(2,802)	(2,786)	(7,466)	(7,410)
Dividends paid to a non-controlling shareholder of a subsidiary (g)	-	(6,390)	-	(6,390)
Interest paid	(830)	(780)	(2,375)	(1,323)
Proceeds from reissuance of treasury shares	306	442	459	545
Proceeds from bank loans (h)	56,213	57,029	71,113	76,245
Repayment of bank loans (i)	(21,245)	(1,441)	(34,301)	(3,110)
Repayment of finance lease liabilities	(316)	(317)	(1,268)	(3,209)
Repayment to a non-controlling shareholder of a subsidiary	-	-	(54)	(43)
Loan from a non-controlling shareholder of a subsidiary (j)	-	3,081	-	3,081
Net cash provided by financing activities	31,547	48,851	25,232	58,184
NET CHANGE IN CASH AND CASH EQUIVALENTS	(9,643)	(706)	16,989	(3,755)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	88,882	76,608	63,219	79,683
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(144)	-	(1,113)	(26)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD [Note (1)]	79,095	75,902	79,095	75,902

(1) Cash and cash equivalents comprised the following:

	GROUP		GROUP	
	Quarter Ended		Nine Months Ended	
	31.03.2014 S\$'000	31.03.2013 S\$'000	31.03.2014 S\$'000	31.03.2013 S\$'000
Cash at bank and on hand	75,158	65,250	75,158	65,250
Short-term bank deposits	5,242	11,687	5,242	11,687
Less: Cash and cash equivalents pledged	(1,305)	(1,035)	(1,305)	(1,035)
Cash and cash equivalents at end of the financial period	<u>79,095</u>	<u>75,902</u>	<u>79,095</u>	<u>75,902</u>

- (a) The decrease in trade and other receivables for the quarter under review of S\$15.4 million was mainly due to net collections of S\$29.4 million from various construction projects. The decrease was partially offset by an increase in trade receivables of S\$4.6 million from a Malaysia subsidiary upon the sale of development properties during the quarter under review and a value added tax receivable of S\$10.9 million following the acquisition of a freehold property in the United Kingdom. The decrease in trade and other receivables for the corresponding period last year of S\$1.7 million was mainly due to collections from the sale of the Group's development properties in Malaysia.

- (b) The decrease in other current assets of S\$5.8 million during the quarter under review was mainly due to a deposit of S\$5.3 million paid for a freehold property in the United Kingdom being reclassified to investment properties upon the completion of the purchase of the property.

The decrease in other current assets of S\$10.5 million for the corresponding period last year was mainly due to a reclassification from deposits to investment properties of S\$8.1 million paid for another freehold property in the United Kingdom upon the completion of the purchase of the property and a reclassification from deposits to fixed assets of S\$2.4 million paid for plant and machinery purchased for construction projects upon the delivery of the plant and machinery to the Group.

- (c) The decrease in development properties/properties held for sale during the quarter under review of S\$4.7 million was mainly due to the sale of the Group's development properties in Malaysia, resulting in a decrease in development properties/properties held for sale amounting to S\$10.4 million. The decrease was partially offset by additional development costs incurred on both of the Group's development properties in Malaysia amounting to S\$6.1 million.

The decrease in development properties/properties held for sale during the corresponding period last year of S\$10.0 million was mainly due to the sale of the Group's development properties in Malaysia, resulting in a decrease in development properties/properties held for sale amounting to S\$13.8 million. The decrease was partially offset by additional development costs incurred on two of the Group's development properties in Malaysia amounting to S\$4.2 million.

- (d) The decrease in trade and other payables during the quarter under review of S\$14.1 million was mainly due to net payments of S\$17.6 million made to subcontractors of various construction projects. The decrease was partially offset by a net increase in trade and other payables of S\$5.2 million from the Group's two subsidiaries in Malaysia arising from monies received from progress billings on uncompleted properties sold, of which revenues from these units have not yet been recognised.

The increase in trade and other payables during the corresponding period last year of S\$8.3 million was mainly due to the increase in work performed for ongoing construction projects resulting in an increase in trade and other payables of S\$16.2 million. The increase was partially offset by a decrease in advances of S\$8.8 million from customers of the Group's Malaysian developments upon the completion of construction of sold units.

- (e) The expenditure on investment properties of S\$57.3 million during the quarter under review and S\$79.9 million during the corresponding period last year was mainly in respect of the purchase of a freehold property in the United Kingdom for each period.

- (f) The purchase of property, plant and equipment of S\$4.5 million during the corresponding period last year mainly relates to the purchase of a number of plant and machinery for a major construction project.

- (g) The dividends paid to a non-controlling shareholder during the corresponding period last year of S\$6.4 million relates to dividends paid to the non-controlling shareholder of two Malaysian subsidiaries of the Group.

- (h) The proceeds from bank loans of S\$56.2 million during the quarter under review was mainly due to the draw down of loans to fund the purchase of a freehold property in the United Kingdom.

The proceeds from bank loans of S\$57.0 million during the corresponding period last year relates to the draw downs of a term loan of S\$49.1 million to partially fund the acquisition of another freehold property in the United Kingdom, a development loan of S\$6.5 million to fund one of the Group's property developments in Malaysia and a term loan of S\$1.4 million to finance the construction of the Group's leasehold property in Singapore.

- (i) The repayment of bank loans of S\$21.2 million during the quarter under review relates to a repayment of S\$14.9 million unsecured loan that was drawn to partly fund the purchase of an investment property in the United Kingdom and a partial repayment of S\$4.8 million of development loans pertaining to one of the Group's property developments in Malaysia.

The repayment of bank loans of S\$1.4 million during the corresponding period last year relates to the partial repayment of a term loan of S\$436,000 that was drawn to finance the construction of the Group's leasehold property at Kranji and a partial repayment of a development loan of S\$1.0 million that was drawn to fund one of the Group's property developments in Malaysia.

- (j) The loan of S\$3.1 million from a non-controlling shareholder of a subsidiary during the corresponding period last year represents the non-controlling shareholder's proportionate share of additional loan advanced to the subsidiary.

- 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.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE THIRD QUARTER ENDED 31 MARCH 2014

Group - 2014	Attributable to equity holders of the Company						Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital and other reserves	Retained profits	Total			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		S\$'000
Balance as at 1 January 2014	84,089	(2,038)	22,940	81,555	186,546	9,971		196,517
Changes in equity for the period								
Employee share option scheme								
- Value of employee services	-	-	50	-	50	-		50
- Treasury shares reissued	87	294	(74)	-	307	-		307
Interim dividend for FY2014	-	-	-	(2,802)	(2,802)	-		(2,802)
	87	294	(24)	(2,802)	(2,445)	-		(2,445)
Total comprehensive income for the period	-	-	463	3,238	3,701	1,671		5,372
Balance as at 31 March 2014	84,176	(1,744)	23,379	81,991	187,802	11,642		199,444

Group - 2013	Attributable to equity holders of the Company						Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital and other reserves	Retained profits	Total			
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		S\$'000
Balance as at 1 January 2013	83,922	(2,941)	20,993	59,623	161,597	11,667		173,264
Changes in equity for the period								
Employee share option scheme								
- Value of employee services	-	-	54	-	54	-		54
- Treasury shares reissued	86	468	(112)	-	442	-		442
Interim dividend for FY2013	-	-	-	(2,786)	(2,786)	-		(2,786)
Dividends paid to non-controlling interests	-	-	-	-	-	(6,391)		(6,391)
	86	468	(58)	(2,786)	(2,290)	(6,391)		(8,681)
Total comprehensive (expenses)/income for the period	-	-	(1,122)	2,863	1,741	1,856		3,597
Balance as at 31 March 2013	84,008	(2,473)	19,813	59,700	161,048	7,132		168,180

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. (Continuation....)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2014

Group - 2014	Attributable to equity holders of the Company					Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital and other reserves	Retained profits	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 July 2013	84,060	(2,194)	20,346	69,249	171,461	8,998	180,459
Changes in equity for the period							
Employee share option scheme							
- Value of employee services	-	-	132	-	132	-	132
- Treasury shares reissued	116	450	(107)	-	459	-	459
Interim dividend for FY2014	-	-	-	(2,802)	(2,802)	-	(2,802)
Final dividend for FY2013	-	-	-	(4,664)	(4,664)	-	(4,664)
	116	450	25	(7,466)	(6,875)	-	(6,875)
Total comprehensive income for the period	-	-	3,008	20,208	23,216	2,644	25,860
Balance as at 31 March 2014	84,176	(1,744)	23,379	81,991	187,802	11,642	199,444

Group - 2013	Attributable to equity holders of the Company					Non-controlling interests	Total equity
	Share capital	Treasury shares	Capital and other reserves	Retained profits	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 July 2012	83,895	(3,046)	20,869	55,177	156,895	8,648	165,543
Changes in equity for the period							
Employee share option scheme							
- Value of employee services	-	-	164	-	164	-	164
- Treasury shares reissued	113	573	(141)	-	545	-	545
Interim dividend for FY2013	-	-	-	(2,786)	(2,786)	-	(2,786)
Final dividend for FY2012	-	-	-	(4,624)	(4,624)	-	(4,624)
Dividends paid to non-controlling interests	-	-	-	-	-	(6,391)	(6,391)
	113	573	23	(7,410)	(6,701)	(6,391)	(13,092)
Total comprehensive (expenses)/income for the period	-	-	(1,079)	11,933	10,854	4,875	15,729
Balance as at 31 March 2013	84,008	(2,473)	19,813	59,700	161,048	7,132	168,180

1(d)(i) A statement of changes in equity (unaudited) for the third quarter ended 31 March 2014 together with a comparative statement for the corresponding period of the immediately preceding financial year - Company

Company - 2014	Share capital	Treasury shares	Capital and other reserves	Retained profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2014	84,089	(2,038)	4,216	18,254	104,521
Changes in equity for the period					
Employee share option scheme					
- Value of employee services	-	-	50	-	50
- Treasury shares reissued	87	294	(74)	-	307
Interim dividend for FY2014	-	-	-	(2,802)	(2,802)
	87	294	(24)	(2,802)	(2,445)
Total comprehensive income for the period	-	-	32	14,271	14,303
Balance as at 31 March 2014	84,176	(1,744)	4,224	29,723	116,379

Company - 2013	Share capital	Treasury shares	Capital and other reserves	Retained profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 January 2013	83,922	(2,941)	4,356	24,935	110,272
Changes in equity for the period					
Employee share option scheme					
- Value of employee services	-	-	54	-	54
- Treasury shares reissued	86	468	(112)	-	442
Interim dividend for FY2013	-	-	-	(2,786)	(2,786)
	86	468	(58)	(2,786)	(2,290)
Total comprehensive income/(expenses) for the period	-	-	12	(2,017)	(2,005)
Balance as at 31 March 2013	84,008	(2,473)	4,310	20,132	105,977

1(d)(i) A statement of changes in equity (unaudited) for the nine months ended 31 March 2014 together with a comparative statement for the corresponding period of the immediately preceding financial year - Company

Company - 2014	Share capital	Treasury shares	Capital and other reserves	Retained profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 July 2013	84,060	(2,194)	4,171	18,851	104,888
Changes in equity for the period					
Employee share option scheme					
- Value of employee services	-	-	132	-	132
- Treasury shares reissued	116	450	(107)	-	459
Interim dividend for FY2014	-	-	-	(2,802)	(2,802)
Final dividend for FY2013	-	-	-	(4,664)	(4,664)
	116	450	25	(7,466)	(6,875)
Total comprehensive income for the period	-	-	28	18,338	18,366
Balance as at 31 March 2014	84,176	(1,744)	4,224	29,723	116,379

Company - 2013	Share capital	Treasury shares	Capital and other reserves	Retained profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 July 2012	83,895	(3,046)	4,247	23,893	108,989
Changes in equity for the period					
Employee share option scheme					
- Value of employee services	-	-	164	-	164
- Treasury shares reissued	113	573	(141)	-	545
Interim dividend for FY2013	-	-	-	(2,786)	(2,786)
Final dividend for FY2012	-	-	-	(4,624)	(4,624)
	113	573	23	(7,410)	(6,701)
Total comprehensive income for the period	-	-	40	3,649	3,689
Balance as at 31 March 2013	84,008	(2,473)	4,310	20,132	105,977

- 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 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.**

During the third quarter ended 31 March 2014, 1,044,000 share options were exercised from the options that were granted in 2009 to 2011, resulting in 1,044,000 treasury shares being reissued.

The Company's issued and fully paid up shares as at 31 March 2014 comprised 374,061,604 (31 March 2013: 371,509,604) ordinary shares with voting rights and 5,968,000 (31 March 2013: 8,520,000) treasury shares with no voting rights.

Under the LCH Share Option Scheme 2007, the number of shares that may be issued on conversion of all the outstanding share options as at 31 March 2014 was 20,210,000 (31 March 2013: 18,586,000).

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at end of the current financial period and as at the end of the immediately preceding year.**

	31.03.2014	30.06.2013
Total number of ordinary shares excluding treasury shares	374,061,604	372,464,604

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

Balance as at 30.06.2013	7,565,000
Purchase of treasury shares	-
Transfer to employees to fulfil obligations under the Option Scheme 2007	(1,597,000)
Balance as at 31.03.2014	<u>5,968,000</u>

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

The figures in this announcement 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 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.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as compared with the most recently audited financial statements as at 30 June 2013.

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

The Group has adopted all the new and revised FRSs and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for accounting periods beginning on or after 1 July 2013. The adoption of these new/revised FRSs and INT FRSs does not result in changes to the Group's and Company's accounting policies and has no material effect on the amounts reported for the current period or prior years.

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

Earnings per ordinary share of the Group after deducting any provision for preference dividends :	GROUP	
	Quarter ended	
	31.03.2014	31.03.2013
(a) Based on weighted average number of ordinary shares in issue	0.87 cents	0.77 cents
(b) On a fully diluted basis	0.86 cents	0.77 cents

Notes:-

- (1) Basic earnings per share is computed based on the weighted average number of ordinary shares (excluding treasury shares which have no voting rights) in issue during the quarter reported on of 373,517,537 shares (31 March 2013: 370,713,848 shares).
- (2) For the purpose of calculating diluted earnings per share for the quarter ended 31 March 2014, the weighted average number of shares in issue (excluding treasury shares) during the quarter under review of 375,861,266 shares (31 March 2013: 373,279,347 shares) were adjusted for the effects of all dilutive outstanding share options.

7. Net asset value (for the issuer and Group) per ordinary share based on issued share capital of the issuer at the end of the:-

- (a) current financial period reported on; and
- (b) immediately preceding financial year.

	GROUP		COMPANY	
	As at 31.03.2014	As at 30.06.2013	As at 31.03.2014	As at 30.06.2013
Net asset* value per ordinary share based on issued share capital (excluding treasury shares which have no voting rights) as at the end of the financial period reported on	50.21 cents	46.03 cents	31.11 cents	28.16 cents

* Net asset is defined as shareholders' equity

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

Revenue

Revenue of S\$46.7 million reported for the quarter under review was S\$77.9 million or 62% lower than the revenue reported for the corresponding period last year. The decrease was mainly due to lower revenue recognised from four construction projects amounting to S\$76.8 million as the projects had been substantially completed during the current financial year.

Gross profit and Cost of sales

The cost of sales was lower by 69% compared to the lower revenue of 62%. The lower revenue was mainly from construction projects, which contributed lower margins than that of property development projects.

Administrative and general expenses

Administrative and general expenses decreased by S\$638,000 or 10% during the quarter under review as compared to the corresponding period last year. The higher administrative and general expenses of S\$6.6 million during the corresponding period last year was mainly due to higher professional fees and loan facility fees incurred in relation to the acquisition of the freehold property in the United Kingdom in February 2013.

Finance expenses

The increase in finance expenses of S\$579,000 for the quarter under review as compared to the corresponding period last year was mainly due to interest expense on bank loans obtained to fund the purchase of two freehold properties in the United Kingdom. The properties were acquired in February 2013 and January 2014.

8. (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Cash and cash equivalents

Cash and cash equivalents as at 31 March 2014 was S\$80.4 million compared to S\$63.6 million as at 30 June 2013. Please refer to the cash flow statements for the Group for the period ended 31 March 2014 in item 1(c) of this announcement for further details.

Trade and other receivables (Current and Non-Current)

Total trade and other receivables of S\$92.6 million as at 31 March 2014 decreased by S\$60.7 million compared to S\$153.3 million as at 30 June 2013 mainly due to net collections of S\$66.3 million from various construction projects including those that were substantially completed during the current financial year and repayment from an associated company in Singapore of S\$11.2 million pertaining to advances previously provided to partly finance the development of residential properties for sale. The increase was partially offset by a value added tax receivable of S\$10.9 million following the acquisition of a freehold property in the United Kingdom, an increase in trade receivables of S\$3.2 million from a Malaysia subsidiary upon the sale of development properties and an advance of S\$3.5 million to a company in Malaysia whose principal activity is in property development.

8. (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Properties held for sale

Properties held for sale as at 31 March 2014 was S\$4.5 million compared to S\$8.5 million as at 30 June 2013. Properties held for sale decreased by S\$5.6 million since 30 June 2013 due to the sale of some completed units of the Group's development properties in Malaysia. The decrease was partially offset by an increase of S\$1.6 million upon the completion of a development phase for one of the Group's development properties in Malaysia.

Investments in associated companies

Investments in associated companies as at 31 March 2014 increased by S\$13.0 million due to the recognition of the Group's 20% proportionate share of profits of an associated company.

Investment properties

The increase in investment properties of S\$63.8 million since 30 June 2013 to S\$172.2 million as at 31 March 2014 was due to the purchase of the freehold property in the United Kingdom of S\$57.1 million and a currency translation gain of S\$6.9 million on another of the Group's freehold property in the United Kingdom as a result of the appreciation of the Sterling Pound.

Property, plant and equipment

Property, plant and equipment as at 31 March 2014 decreased by S\$3.9 million mainly due to depreciation of S\$4.0 million.

Trade and other payables (Current and Non-Current)

Total trade and other payables of S\$175.2 million as at 31 March 2014 decreased by S\$33.0 million compared to S\$208.2 million as at 30 June 2013 mainly due to net payments of S\$46.9 million made to subcontractors of construction projects that are completed or near completion. The decrease was partially offset by a net increase in trade and other payables of S\$11.6 million from the Group's two subsidiaries in Malaysia arising from monies received from progress billings on uncompleted properties sold, of which revenues from these units have not yet been recognised.

Current income tax liabilities

The decrease in current income tax liabilities by S\$2.6 million since 30 June 2013 to S\$2.5 million as at 31 March 2014 was mainly due to tax payments of S\$5.7 million and a reversal of tax provision of S\$1.1 million relating to an overprovision of prior financial years' income tax of a subsidiary in Singapore. The decrease was partially offset by an increase in tax provision of S\$4.1 million in respect of another subsidiary in Singapore and two subsidiaries in Malaysia for the current financial year.

Borrowings (Current and Non-Current)

Borrowings in total had increased by S\$39.2 million since 30 June 2013 mainly due to the draw down of a loan to fund the purchase of a freehold property in the United Kingdom.

Non-controlling interests

The increase in non-controlling interests of S\$2.6 million since 30 June 2013 to S\$11.6 million as at 31 March 2014 was mainly due to the non-controlling interest's share of the results of the two Malaysian subsidiaries of the Group.

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

The current announced results are in line with the comments previously disclosed in part 10 in the results announcement for the financial period ended 31 December 2013.

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.

Boosted by strong growth in manufacturing and construction, the Singapore economy grew 5.1% in the first quarter, according to advance estimates released on 14 April 2014 by the Ministry of Trade and Industry (MTI). Compared with the fourth quarter last year, the economy grew just 0.1% on a seasonally-adjusted annualised basis.

Due to stronger expansion in public sector construction activities, the construction sector grew 6.5% year-on-year, an improvement from the 4.8% growth in the preceding quarter.

The Construction industry is expected to remain challenging with rising costs and a tight labour market. The Group will continue to increase its productivity through innovative construction technology in order to reduce the dependency on labour for its projects.

The Group is also expected to face strong competition not only from the local contractors but also from large overseas contractors. However the Group will continue to tender for construction contracts competitively in both the public and private sectors. As at 31 March 2014, the total outstanding value of construction projects still in progress was S\$443.3 million.

In Malaysia, the Group continues to market the Twin Palms developments, Sungai Long and Kemensah. Construction for both projects is progressing according to schedule.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? None

(c) Date payable - Not applicable

(d) Books closure date - Not applicable

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

No dividend has been declared or recommended for the current financial period reported on.

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 by the Board pursuant to Rule 705(5) of the Listing Manual

The Directors of the Company hereby confirm to the best of their knowledge that nothing has come to the attention of the Board of Directors which may render the unaudited financial statements for the third quarter ended 31 March 2014 to be false or misleading in any material respect.

On behalf of the Board of Directors

Raymond Lum Kwan Sung
Director

David Lum Kok Seng
Director

BY ORDER OF THE BOARD

TONY FONG
COMPANY SECRETARY

9 May 2014

Submitted by Tony Fong, Company Secretary on 9 May 2014 to the SGX.