KOH BROTHERS ECO ENGINEERING LIMITED
(Company Registration No. 197500111H)

Unaudited Full Year Financial Statement for the Period Ended 31 December 2016

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

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

	Note	12 months ended 31/12/2016 S$'000	12 months ended 31/12/2015 S$'000	Increase/ (Decrease) %
Revenue		202,265	44,782	352
Cost of sales		(187,976)	(37,063)	407
Gross profit		14,289	7,719	85
Other income	1	766	339	126
Other gains/(losses) - net	2	586	2,160	(73)
Selling and distribution expenses		(965)	(1,090)	(11)
Administrative expenses		(6,727)	(4,392)	53
Finance expenses		(290)	(94)	209
Share of profit/(loss) from an associated company (net of tax)		22	(157)	n.m.
Profit before income tax	3	7,681	4,485	71
Income tax expense	4	(1,216)	(1,555)	(22)
Profit after income tax		6,465	2,930	121
Other comprehensive loss:				
Currency translation difference arising from consolidation		(384)	(1,824)	(79)
Fair value loss on available-for-sale financial assets		(441)	-	n.m.
Total comprehensive income		5,640	1,106	410
Profit attributable to:				
Equity holders of the Company		6,141	2,086	194
Non-controlling interests		324	844	(62)
		6,465	2,930	121
Total comprehensive income attributable to:				
Equity holders of the Company		5,412	797	579
Non-controlling interests		228	309	(26)
		5,640	1,106	410

n.m. – not meaningful

Notes to the Statement of Comprehensive Income (for the Group)

	12 months ended	
	31/12/2016	31/12/2015
Note 1		
Other income includes the following:		
Rental income	**162**	**162**
Interest income	**276**	**49**
Other income	**328**	**128**
	766	**339**
Note 2		
Other gains/(losses) - net includes the following:		
Fair value gain on financial assets at fair value through profit or loss	**3**	**-**
Fair value losses on long term financial assets and financial liabilities	**(308)**	**-**
Gain on disposal of property, plant and equipment	**73**	**-**
Gain on disposal of subsidiaries	**-**	**47**
Net exchange gain	**818**	**2,113**
	586	**2,160**
Note 3		
Profit before income tax is stated after charging the following items:		
Allowance made for doubtful trade and non-trade receivables	**442**	**747**
Depreciation of property, plant and equipment	**332**	**159**
Note 4		
Income tax expense includes the following:		
Current income tax		
- in respect of current period	**1,119**	**1,737**
- over provision in respect of prior period	**(419)**	**(496)**
Deferred income tax		
- in respect of current period	**428**	**(156)**
- Under provision in respect of prior period	**88**	**470**
	1,216	**1,555**

The Group's taxation charge for the financial year ended 31 December 2016 is lower than that determined by applying the Singapore income tax rate of 17% to the Group profit before income tax mainly due to utilisation of carry forward tax losses of certain subsidiaries.

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	
	31/12/2016 S$'000	31/12/2015 S$'000	31/12/2016 S$'000	31/12/2015 S$'000
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	20,460	16,047	164	956
Financial assets, at fair value through profit or loss	40	-	-	-
Available-for-sale financial assets	7,529	-	-	-
Trade and other receivables	87,094	15,587	1,682	2,627
Due from customers on construction contracts	36,533	1,338	-	-
Inventories	646	636	-	-
	152,302	33,608	1,846	3,583
NON-CURRENT ASSETS				
Trade and other receivables	15,187	-	-	-
Associated company	1,355	1,332	640	640
Subsidiaries	-	-	36,159	16,669
Property, plant and equipment	28,636	2,931	1,696	1,783
Goodwill	6,857	6,857	-	-
Deferred tax asset	-	108	-	-
	52,035	11,228	38,495	19,092
TOTAL ASSETS	204,337	44,836	40,341	22,675
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	38,391	16,476	38,391	16,476
Warrants	-	3,112	-	3,112
Other reserves	(441)	-	-	-
Retained profits / (Accumulated losses)	3,877	(2,464)	1,091	133
Currency translation reserve	(2,458)	(2,170)	-	-
	39,369	14,954	39,482	19,721
Non-controlling interests	3,033	3,057	-	-
TOTAL EQUITY	42,402	18,011	39,482	19,721
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	92,862	23,506	849	2,945
Due to customers on contruction contracts	34,165	774	10	9
Short term borrowings	16,709	1,800	-	-
Current income tax liabilities	680	745	-	-
	144,416	26,825	859	2,954
NON-CURRENT LIABILITIES				
Trade and other payables	14,829	-	-	-
Finance lease payables	2,237	-	-	-
Deferred income tax liabilities	453	-	-	-
	17,519	-	-	-
TOTAL LIABILITIES	161,935	26,825	859	2,954
TOTAL EQUITY AND LIABILITIES	204,337	44,836	40,341	22,675

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

	As at 31/12/2016		As at 31/12/2015	
	Secured S$'000	Unsecured S$'000	Secured S$'000	Unsecured S$'000
Amount repayable in one year or less, or on demand	1,409	15,300	-	1,800
Amount repayable after one year	2,237	-	-	-

Details of any collateral

The Group's secured borrowings are secured by the Group's plant and machinery.

1(c) CONSOLIDATED CASH FLOW STATEMENT

	12 months ended	
	31/12/2016 S$'000	31/12/2015 S$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	7,681	4,485
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	332	159
Fair value gain on financial assets at fair value through profit or loss	(3)	-
Gain on disposal of subsidiaries	-	(47)
Gain on disposal of property, plant and equipment	(73)	-
Share of (profit)/loss from an associated company	(22)	157
Interest expense	290	78
Interest income	(276)	(49)
Unrealised foreign exchange gain	(316)	(1,549)
Operating profit before working capital changes	7,613	3,234
Working capital changes:		
- Receivables	(45,711)	5,111
- Inventories	(10)	(373)
- Due from/(to) customers on construction contracts	8,319	(1,540)
- Payables	33,905	2,078
Cash generated from operations	4,116	8,510
Income tax paid	(1,835)	(920)
Interest paid	(284)	(68)
Net cash generated from operating activities	1,997	7,522
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of a subsidiary, net of cash acquired	1,042	-
Purchase of property, plant and equipment	(4,033)	(51)
Proceeds from disposal of property, plant and equipment	85	-
Interest received	276	49
Net cash used in investing activities	(2,630)	(2)
CASH FLOWS FROM FINANCING ACTIVITIES		
Deposit pledge released	301	2,256
Share issuance expenses	(8)	-
Proceeds from bank borrowings	13,500	-
Repayment of bank borrowings	(7,130)	-
Payment of finance lease instalments	(975)	-
Dividends paid to non-controlling interest	(399)	-
Repayment of amounts owing to shareholders	-	(909)
Net cash generated from financing activities	5,289	1,347
NET CHANGE IN CASH AND CASH EQUIVALENTS	4,656	8,867
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR	14,609	6,317
EFFECTS OF CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS	58	(575)
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	19,323	14,609
Represented by:		
CASH AND CASH EQUIVALENTS		
Cash and bank balances	20,460	16,047
Restricted cash	(1,137)	(1,438)
	19,323	14,609

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.

	Attributable to equity holders of the Group							
GROUP (S$'000)	**Share Capital**	**Warrants Reserve**	**Other Reserves**	**Retained profits / (Accumulated losses)**	**Currency Translation Reserve**	**TOTAL**	**NON-CONTROLLING INTERESTS**	**TOTAL EQUITY**
Balance as at 01/01/2016	**16,476**	**3,112**	**-**	**(2,464)**	**(2,170)**	**14,954**	**3,057**	**18,011**
Issuance of shares #	**19,011**	**-**	**-**	**-**	**-**	**19,011**	**-**	**19,011**
Share issuance expenses	**(8)**	**-**	**-**	**-**	**-**	**(8)**	**-**	**(8)**
Warrants expired	**2,912**	**(3,112)**	**-**	**200**	**-**	**-**	**-**	**-**
Profit for the financial year	**-**	**-**	**-**	**6,141**	**-**	**6,141**	**324**	**6,465**
Other comprehensive loss for the financial year	**-**	**-**	**(441)**	**-**	**(288)**	**(729)**	**(96)**	**(825)**
Dividend paid	**-**	**-**	**-**	**-**	**-**	**-**	**(252)**	**(252)**
Balance as at 31/12/2016	**38,391**	**-**	**(441)**	**3,877**	**(2,458)**	**39,369**	**3,033**	**42,402**
Balance as at 01/01/2015	**30,003**	**3,112**	**-**	**(18,077)**	**(881)**	**14,157**	**2,748**	**16,905**
Share capital reduction*	**(13,527)**	**-**	**-**	**13,527**	**-**	**-**	**-**	**-**
Profit for the financial year	**-**	**-**	**-**	**2,086**	**-**	**2,086**	**844**	**2,930**
Other comprehensive loss for the financial year	**-**	**-**	**-**	**-**	**(1,289)**	**(1,289)**	**(535)**	**(1,824)**
Balance as at 31/12/2015	**16,476**	**3,112**	**-**	**(2,464)**	**(2,170)**	**14,954**	**3,057**	**18,011**

	Attributable to equity holders of the Company			
COMPANY (S$'000)	**Share Capital**	**Warrants Reserve**	**Retained profits / (Accumulated losses)**	**TOTAL**
Balance as at 01/01/2016	**16,476**	**3,112**	**133**	**19,721**
Issuance of new shares	**19,011**	**-**	**-**	**19,011**
Share issue expenses	**(8)**	**-**	**-**	**(8)**
Warrants expired	**2,912**	**(3,112)**	**200**	**-**
Profit for the financial year	**-**	**-**	**758**	**758**
Balance as at 31/12/2016	**38,391**	**-**	**1,091**	**39,482**
Balance as at 01/01/2015	**30,003**	**3,112**	**(13,527)**	**19,588**
Share capital reduction*	**(13,527)**	**-**	**13,527**	**-**
Profit for the financial year	**-**	**-**	**133**	**133**
Balance as at 31/12/2015	**16,476**	**3,112**	**133**	**19,721**

 # The issuance of shares was approved at an Extraordinary General Meeting held on 27 April 2016. The share capital increase was effected on 1 July 2016.

*** The share capital reduction was approved at an Extraordinary General Meeting held on 29 April 2015. The share capital reduction was effected on 19 June 2015.**

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.

	No. of shares	
	31/12/2016	31/12/2015
Total number of issued shares	747,554,207	378,408,576
Number of shares that may be issued on exercise of warrants	-	205,000,000

Warrants

(a) The Company issued 40,000,000 non-transferable and non-listed warrants on 28 February 2013. Each warrant carries the right to subscribe for one (1) ordinary share in the capital of the Company at the exercise price of S$0.048 for each ordinary share. Each warrant may be exercised at any time during the period of three (3) years commencing on and including the date of issue of the warrants and expiring on the 3rd anniversary of the date of issue of the warrants. No warrants had been exercised as at 31 December 2015. None of the warrants were exercised during the exercise period and the warrants expired on 27 February 2016.

(b) The Company also issued 165,000,000 non-transferable and non-listed warrants on 28 February 2013. Each warrant carries the right to subscribe for one (1) ordinary share in the capital of the company at the exercise price of S$0.053 for each ordinary share. Each warrant may be exercised at any time during the period of three (3) years commencing on and including the date of issue of the warrants and expiring on the 3rd anniversary of the date of issue of the warrants. No warrants had been exercised as at 31 December 2015. None of the warrants were exercised during the exercise period and the warrants expired on 27 February 2016.

Shares

(a) The Company issued 369,145,631 ordinary shares in the capital of the Company at the issue price of S$0.0515 for each ordinary share, for the purpose of the acquisition of the entire issued and paid-up share capital of Koh Brothers Building & Civil Engineering Contractor (Pte) Ltd. The acquisition was completed on 1 July 2016. The new shares rank pari passu in all respects with all other existing shares in issue. Following the completion of the above issuance, the total number of issued shares in the capital of the Company increased from 378,408,576 shares to 747,554,207 shares.

Save as disclosed above, the Company has no outstanding convertibles and no treasury shares as at 31 December 2016 and 31 December 2015.

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.

	No. of shares	
	31/12/2016	31/12/2015
Total number of issued shares excluding treasury shares	747,554,207	378,408,576

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

Not applicable as there were no treasury shares as at the end of the current financial period 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 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.

The Group has applied the same accounting policies and methods of computation in the current reporting period as those for the audited financial statements for the financial year ended 31 December 2015 except for the adoption of new or revised Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") that are mandatory for financial years beginning on or after 1 January 2016. The adoption of these new or revised FRS and INT FRS has no significant impact on the Group's consolidated financial statements.

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.

Please refer to paragraph 4 above.

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 for the period after deducting provision for preference dividends:

	GROUP	
	12 months ended	
	31/12/2016 S'pore (cent)	31/12/2015 S'pore (cent)
(i) Basic	1.09	0.55
(ii) On a fully diluted basis	1.09	0.55

The basic earning per share is calculated by dividing the net profit attributable to equity holders of the Company over the weighted average number of ordinary shares in issue during the current financial period of 563,989,986 ordinary shares (Financial year ended 31 December 2015: 378,408,576 ordinary shares).

Fully diluted earnings per ordinary share is computed based on the weighted average number of ordinary shares in issue during the period after adjusting for the dilutive effect on the exercise of all outstanding warrants.

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 as at the end of the (a) current financial period reported on and (b) immediately preceding financial year.

	GROUP		COMPANY	
	31/12/2016 S'pore (cents)	31/12/2015 S'pore (cents)	31/12/2016 S'pore (cents)	31/12/2015 S'pore (cents)
Net asset value per ordinary share based on total number of issued shares at the end of period	5.27	3.95	5.28	5.21

The net asset value per ordinary share is computed based on the issued share capital of 747,554,207 ordinary shares as at 31 December 2016 (31 December 2015: 378,408,576 ordinary 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 currency financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flows, working capital, assets or liabilities of the Group during the current financial period reported on.

Review of operating result

The improved financial performance for FY2016 is a result of the Group's proactive measure to widen its capabilities and sharpen its competitive edge amidst challenging times. Since the restructuring, the Group has clinched contracts that require both hydro-engineering capabilities and the acquired civil engineering capabilities of Koh Brothers Building & Civil Engineering Contractor (Pte) Ltd, demonstrating the effectiveness of the Group's strategic move.

To better reflect the Group's hydro-engineering and civil engineering capabilities, the "Water & Wastewater Treatment And Hydro-Engineering Division" was renamed "Engineering & Construction Division".

Revenue

The Group's revenue increased by 352% from S$44.8 million for the financial year ended 31 December 2015 ("FY2015") to S$202.3 million for the financial year ended 31 December 2016 ("FY2016"). The increase of S$157.5 million was mainly due to contribution by Engineering & Construction Division.

Cost of sales

The Group's cost of sales increased by 407% from S$37.1 million in FY2015 to S$187.9 million in FY2016. The increase of S$150.8 million was mainly due to contribution by Engineering & Construction Division.

Gross Profit

The Group's gross profit increased by 85% from S$7.7 million in FY2015 to S$14.3 million in FY2016 mainly due to contribution by Engineering & Construction Division.

Other income

Other income increased from S$0.3 million in FY2015 to S$0.8 million in FY2016 mainly due to higher interest income.

Other gains/(losses) - net

Other gains amounted to S$0.6 million in FY2016 compared to S$2.2 million in FY2015. This was mainly due to exchange gain arising from trade receivables and bank balance denominated in foreign currency.

Selling and Distribution Expenses

Selling and distribution expenses decreased by S$0.1 million mainly due to lower distribution expenses from the Bio-refining and Bio-energy Division.

Administrative expenses

Administrative expenses increased by 53% from S$4.4 million in FY2015 to S$6.7 million in FY2016 mainly due to legal and professional fees incurred by Engineering & Construction Division.

Finance expenses

Finance expenses increased by 209% from S$0.1 million in FY2015 to S$0.3 million in FY2016 mainly due to higher utilisation of bank facilities for working capital purposes.

Profit before income tax

Profit before income tax increased by 71% from S$4.5 million in FY2015 to S$7.7 million in FY2016. This is mainly due to the contribution from Engineering & Construction Division.

Review of financial position

The Group's net asset value increased from S$15.0 million as at 31 December 2015 to S$39.3 million as at 31 December 2016.

The Group's current assets recorded an increase of S$119.3 million in FY2016 as compared to FY2015 mainly due to the acquisition of KBCE during the year, increase in available-for-sale financial assets of S$7.5 million and trade receivables from construction contracts of S$107.3 million.

The Group's non-current assets recorded an increase of S$40.8 million in FY2016 as compared to FY2015 mainly due to the acquisition of KBCE during the year, which contributed to the increase in trade and other receivables, and property, plant and equipment.

The Group's current liabilities registered an increase of S$126.3 million in FY2016 as compared to FY2015 mainly due to acquisition of KBCE during the year and increase in short term borrowings of S$14.9 million.

The Group's non-current liabilities registered an increase of S$9.4 million in FY2016 as compared to FY2015 mainly due to acquisition of KBCE during the year, increase in trade and other payables of S$6.7 million and finance lease payables of S$2.2 million.

Review of cash flow

The Group generated overall net cash inflow of S$4.7 million in FY2016 mainly due to net cash generated from operating activities, cash used in investing activities for purchase of property, plant and equipment and proceeds from bank borrowings from financing activities.

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 general prospect commentary previously disclosed in the results announcement for the financial period ended 30 June 2016.

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.

Engineering and Construction Sector

For 2017, the Building and Construction Authority (BCA) announced that total construction demand will be between S$28 billion and S$35 billion, 70% of which will be largely driven by public sector demand.

Public sector projects this year include infrastructure projects such as the Phase 2 of the Deep Tunnel Sewerage System, North-South Corridor and Circle Line 6. Over the next few years, other major infrastructure projects in the pipeline include the Jurong Regional Line, Cross Island Line and development of Changi Airport Terminal 5. This will naturallly augur well for our Group's business opportunities.

Bio-refining and Bio-energy Sector

Oiltek Sdn. Bhd., our subsidiary, is an integrated supplier with process expertise that covers the complete supply chain in the edible oil industry, renewable and bioenergy sector, as well as high value downstream processes. Oiltek continues to develop new proprietory technology in the refining process to provide continual innovation to the industry. The long term growth prospects for Oiltek remain positive despite the current challenges faced in the commodities industry.

11 Dividend

(a) Current Financial Period Reported On

(i) Any dividend declared for the current financial period reported on?

No.

(ii) Any dividend recommended for the current financial period reported on?

Yes.

Name of Dividend	Final
Dividend Type	Cash
Dividend Amount per Share	0.06 cent per ordinary share
Dividend Rate (in %)	NA
Par values of shares	NA
Tax rate	Tax exempt (One-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

No.

(c) Date payable

The proposed dividend will be subject to approval by the shareholders at the forthcoming AGM. The payment date will be announced at a later date.

(d) Books closure date

Notice will be given at a later date on the closure of the Share Transfer Books and Register of Members of the Company to determine members' entitlement to the dividend.

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

Not applicable.

13 Interested Person Transaction

The general mandate for interested persons transactions was approved at the Extraordinary General Meeting held on 27 April 2016.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under Shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
	S$'000	S$'000
KBD Westwood Pte Ltd	-	29,542
G & W Ready-Mix Pte Ltd	-	5,455
G & W Precast Pte Ltd	-	2,930
Koh Brothers Group Limited	-	2,010
Koh Keng Siang	-	590
Koh Brothers Holdings Pte Ltd	-	121

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14 Segmented revenue and results for business 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.

GROUP (S$'000)	ENGINEERING & CONSTRUCTION	BIO-REFINING & BIO-ENERGY	TOTAL
2016			
REVENUE			
External sales	174,550	27,715	202,265
Inter-segment	-	-	-
	174,550	27,715	202,265
Elimination			-
			202,265
RESULTS			
Segment results	3,305	4,368	7,673
Share of profit from an associated company	22	-	22
Interest income	236	40	276
Finance expenses	(290)	-	(290)
Income tax expenses			(1,216)
Profit after income tax			6,465
2015			
REVENUE			
External sales	10,203	34,579	44,782
Inter-segment	-	20	20
	10,203	34,599	44,802
			(20)
			44,782
RESULTS			
Segment results	(1,363)	6,003	4,640
Share of loss from an associated company	(157)	-	(157)
Gain on disposal of subsidiaries	47	-	47
Interest income	7	42	49
Finance expenses	(78)	(16)	(94)
Income tax expenses			(1,555)
Profit after income tax			2,930

Revenue by Geographical Segment (S$'000):

	2016	2015
Singapore	174,584	9,718
Malaysia	7,343	17,895
Indonesia	3,042	5,918
The rest of Asia**	10,297	7,105
South America	55	626
Africa	4,790	2,264
Others	2,154	1,256
	202,265	44,782

****Including Hong Kong, Thailand and Philippines.**

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

BY BUSINESS SEGMENT

Engineering and Construction

The segment recorded an increase in revenue of S$164.3 million from S$10.2 million in FY2015 to S$174.6 million in FY2016, while segment results improved by S$4.7 million from a loss of S$1.4 million in FY2015 to a profit of S$3.3 million in FY2016. This is mainly due to contribution by KBCE, which was acquired on 1 July 2016.

Bio-Refining and Bio-Energy

The segment revenue decreased by S$6.9 million in FY2016 as compared to FY2015 mainly due to a decline in the global demand for bio-refining and bio-energy products. The lower turnover directly impacted segment results which saw a decline from S$6.0 million in FY2015 to S$4.3 million in FY2016.

BY GEOGRAPHICAL SEGMENT

There was a general increase in revenue in most geographical segments. In Malaysia, revenue decreased because of lower percentage of revenue recognition and reduction in the revenue for bio-refining and bio-energy projects.

16 A breakdown of sales.

	S$'000		%
	31/12/2016	31/12/2015	Change
Sales reported for first half year	**20,933**	**27,015**	**(23)**
Operating profit after tax before deducting non-controlling interests reported for first half year	**595**	**1,470**	**(60)**
Sales reported for second half year	**181,332**	**17,767**	**921**
Operating profit after tax before deducting non-controlling interests reported for second half year	**5,870**	**1,460**	**302**

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

	S$'000	
	31/12/2016	31/12/2015
Ordinary-Proposed final	**449**	**Nil**

18 Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any Director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Koh Keng Seng	52	Cousin of Mr Koh Keng Siang	Director of Koh Brothers Building & Civil Engineering Contractor (Pte) Ltd, since 2008. Responsible for management of logistics, workshop, machinery and equipment functions under the Construction Division.	Nil
Tay Juak Chiang	43	Cousin of Mr Koh Keng Siang	Senior Manager, Steel division, since 2012. Responsible for steel fabrication division.	Nil

19 Requirement under Rule 720(1) of the Listing Manual Section B : Rules of Catalist

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

BY ORDER OF THE BOARD

Koh Keng Siang
Chairman

17 February 2017
Singapore

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor, Stamford Corporate Services Pte Ltd, for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "Exchange"). The Company's Sponsor has not independently verified the contents of this announcement.

This announcement has not been examined or approved by the Exchange and the Exchange assumes no responsibility for the contents of this announcement including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Mr Ng Joo Khin:
Telephone number: 6389 3000 Email: jookhin.ng@morganlewis.com