

KEONG HONG HOLDINGS LIMITED

Unaudited Financial Statement for the Full Year Ended 30 September 2016

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

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

	Group Fourth Quarter ended			Group Twelve Months ended		
	30/09/2016 Unaudited S\$'000	30/09/2015 Unaudited S\$'000	+(-) %	30/09/2016 Unaudited S\$'000	30/09/2015 Audited S\$'000	+(-) %
Revenue	57,146	75,980	(24.8%)	248,014	281,984	(12.0%)
Cost of sales	(47,137)	(68,775)	(31.5%)	(209,208)	(252,099)	(17.0%)
Gross profit	10,009	7,205	38.9%	38,806	29,885	29.9%
Other income	1,339	2,075	(35.5%)	5,992	5,597	7.1%
Administration expenses	(7,263)	(5,319)	36.5%	(17,331)	(11,718)	47.9%
Finance costs	(901)	(872)	3.3%	(3,759)	(1,415)	165.7%
Share of results of joint ventures, net of tax	15,108	3	n.m.	15,119	3	n.m.
Share of results of associates, net of tax	(621)	19,609	n.m.	(1,158)	19,158	n.m.
Profit before income tax	17,671	22,701	(22.2%)	37,669	41,510	(9.3%)
Income tax (expense) / credit	(628)	525	n.m.	(4,608)	(2,691)	71.2%
Profit after tax for the financial period / year	17,043	23,226	(26.6%)	33,061	38,819	(14.8%)
Other comprehensive income: <i>Items that may be reclassified subsequently to profit or loss</i>						
Exchange differences on translating of foreign operations	103	59	74.6%	336	556	(39.6%)
Net gain /(loss) on fair value changes of available-for-sale financial assets	75	(150)	n.m.	75	(150)	n.m.
Share of other comprehensive income of associates	(114)	212	n.m.	(326)	212	n.m.
Other comprehensive income for the financial period / year, net of tax	64	121	(47.1%)	85	618	(86.2%)
Total comprehensive income for the financial period / year	17,107	23,347	(26.7%)	33,146	39,437	(16.0%)
Profit attributable to:						
Owners of the parent	17,043	22,531	(24.4%)	34,669	38,093	(9.0%)
Non-controlling interests	-	695	n.m.	(1,608)	726	n.m.
	17,043	23,226	(26.6%)	33,061	38,819	(14.8%)
Total comprehensive income attributable to:						
Owners of the parent	17,107	22,623	(24.4%)	34,737	38,658	(10.1%)
Non-controlling interests	-	724	n.m.	(1,591)	779	n.m.
	17,107	23,347	(26.7%)	33,146	39,437	(16.0%)

n.m. denotes not meaningful

1(a)(ii) Profit for the financial year has been arrived at after charging/(crediting) the following:

	Group Fourth quarter ended			Group Twelve Months ended		
	30/09/2016 Unaudited S\$'000	30/09/2015 Unaudited S\$'000	+(-) %	30/09/2016 Unaudited S\$'000	30/09/2015 Audited S\$'000	+(-) %
Amortisation of intangible assets	-	4	n.m.	5	16	(68.8%)
Depreciation of property, plant and equipment	1,696	1,233	37.6%	6,372	3,895	63.6%
Fair value (gain) / loss on derivative on convertible bond	(122)	54	n.m.	(33)	(83)	(60.2%)
(Gain) / loss on disposal of plant and equipment	31	(1,336)	n.m.	(248)	(310)	(20.0%)
Interest income	(892)	(465)	91.8%	(2,871)	(2,269)	26.5%
Operating lease expenses	98	43	127.9%	421	499	(15.6%)
Share option expense	77	168	(54.2%)	235	550	(57.3%)
Allowance made for third party doubtful debts	1,899	162	n.m.	1,899	162	n.m.
Bad debts written off	2	-	n.m.	2	-	n.m.
Foreign exchange (gain) / loss - Net	(537)	(888)	(39.5%).	814	(1,054)	n.m.
Impairment loss on non-current assets held for sale	271	-	n.m.	271	-	n.m.

n.m. 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 As at		Company As at	
	30/09/2016 Unaudited S\$'000	30/09/2015 Audited S\$'000	30/09/2016 Unaudited S\$'000	30/09/2015 Audited S\$'000
Non-current assets				
Property, plant and equipment	36,857	29,217	-	-
Investments in subsidiaries	-	-	24,574	21,574
Investment in associates	7,245	23,071	-	-
Investments in joint ventures	15,886	93	-	-
Intangible assets	309	227	-	-
Convertible bond	4,912	4,808	4,912	4,808
Derivative on convertible bond	423	390	423	390
Available-for-sale financial assets	6,750	6,675	6,750	6,675
Finance lease receivables	903	1,030	-	-
Deferred tax assets	307	-	-	-
Total non-current assets	73,592	65,511	36,659	33,447
Current assets				
Trade and other receivables	198,488	163,239	251	258
Due from subsidiaries	-	-	46,878	9,129
Due from contract customers	8,856	9,803	-	-
Current income tax recoverable	314	329	-	-
Finance lease receivables	125	124	-	-
Prepayments	355	482	3	3
Non-current assets held for sale	851	-	-	-
Cash and cash equivalents	58,618	100,569	1,158	46,218
Total currents assets	267,607	274,546	48,290	55,608
Total assets	341,199	340,057	84,949	89,055
Equity				
Share capital	23,836	23,836	23,836	23,836
Treasury shares	(4,005)	(5,728)	(4,005)	(5,728)
Other reserves	(3,645)	(3,224)	465	879
Retained earnings	120,163	96,583	7,368	9,433
Equity attributable to owners of the parent	136,349	111,467	27,664	28,420
Non-controlling interests	-	1,277	-	-
Total equity	136,349	112,744	27,664	28,420
Non-current liabilities				
Bank borrowings	1,818	5,455	-	-
Finance lease payables	162	250	-	-
Medium term notes	49,593	49,355	49,593	49,355
Provision for reinstatement	232	-	-	-
Deferred tax liabilities	-	167	-	-
Total non-current liabilities	51,805	55,227	49,593	49,355

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 (Cont'd)

	Group As at		Company As at	
	30/09/2016 Unaudited S\$'000	30/09/2015 Audited S\$'000	30/09/2016 Unaudited S\$'000	30/09/2015 Audited S\$'000
Current liabilities				
Due to contract customers	24,881	29,051	-	-
Due to subsidiaries	-	-	6,515	10,094
Trade and other payables	110,944	128,451	1,161	1,170
Bank borrowings	11,872	11,692	-	-
Finance lease payables	87	214	-	-
Current income tax payable	5,261	2,678	16	16
Total current liabilities	153,045	172,086	7,692	11,280
Total liabilities	204,850	227,313	57,285	60,635
Total equity and liabilities	341,199	340,057	84,949	89,055

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

Amount repayable in one year or less, or on demand

As at 30/09/2016 Unaudited		As at 30/09/2015 Audited	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
11,872	-	11,692	-

Amount repayable after one year

As at 30/09/2016 Unaudited		As at 30/09/2015 Audited	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1,818	49,593	5,455	49,355

Details of collateral:

The Group's secured borrowings are secured by corporate guarantee, property and project proceeds in respect of the Company's construction projects.

The unsecured borrowings relate to net proceeds of S\$49.4 million from the issuance of S\$50 million 3-year Fixed Rate Notes ("**Term Notes**") on 15 June 2015 under Keong Hong Holdings Limited S\$150 million Multicurrency Medium Term Note Programme. The Term Notes bear interest of 6.00 per cent per annum payable semi-annually in arrears and will mature on 15 June 2018.

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

	Group Fourth Quarter ended		Group Twelve Months ended	
	30/09/2016 Unaudited S\$'000	30/09/2015 Unaudited S\$'000	30/09/2016 Unaudited S\$'000	30/09/2015 Audited S\$'000
Operating activities				
Profit before income tax	17,671	22,701	37,669	41,510
Adjustments for:				
Amortisation of intangible assets	-	4	5	16
Depreciation of plant and equipment	1,696	1,233	6,372	3,895
Impairment loss on non-current assets held for sale	271	-	271	-
Allowance made for third party doubtful debts	1,899	-	1,899	-
Bad debts written off	2	-	2	-
Fair value (gain)/loss on derivative on convertible bond	(122)	54	(33)	(83)
(Gain) / Loss on disposal of plant and equipment	46	(1,336)	(248)	(310)
Share option expenses	77	168	235	550
Interest income	(892)	(465)	(2,871)	(2,269)
Interest expenses	901	941	3,759	1,415
Dividend Income from available for sale financial assets	(75)	(75)	(75)	(75)
Accretion of convertible bond discount	(10)	(45)	(153)	(175)
Share of result of joint ventures	(15,108)	(3)	(15,119)	(3)
Share of result of associates	621	(19,609)	1,158	(19,159)
Operating cash flows before movements in working capital	6,977	3,568	32,871	25,312
Working Capital Changes:				
Trade and other receivables	(17,069)	(2,234)	7,626	(12,157)
Due from contract customers	3,255	17,206	947	2,662
Provision for reinstatement	232	-	232	-
Prepayments	100	62	127	(314)
Due to contract customers	3,191	3,430	(4,170)	11,924
Trade and other payables	3,465	2,570	(17,506)	29,713
Cash generated from operations	151	24,602	20,127	57,140
Income tax paid	2	(451)	(2,500)	(4,475)
Net cash generated from operating activities	153	24,151	17,627	52,665
Investing activities				
Investment in associates	-	-	(544)	-
Investment in joint ventures	-	-	(894)	-
Disposal of discontinued operation, net of cash disposed	-	-	106	-
Purchase of property, plant and equipment	(1,515)	(4,657)	(14,592)	(18,617)
Purchase of financial assets, available for sale	-	-	-	(6,825)
Proceeds from disposal of plant and equipment	31	-	248	155
Loan to associates	-	(1,152)	(5,200)	(16,962)
Loan to joint ventures	(2,960)	(3,346)	(60,113)	(6,481)
Repayment of loan from joint ventures	8,000	-	20,700	-
Repayment of loan from associates	-	16,818	-	16,839
Dividend received from associate	5,800	2,500	15,000	2,500
Dividend Income from available for sale financial assets	75	75	75	75
Interest received	692	465	2,671	2,019
Net cash generated from/(used in) investing activities	10,123	10,703	(42,543)	(27,297)

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

	Group Fourth Quarter ended		Group Twelve Months ended	
	30/09/2016 Unaudited S\$'000	30/09/2015 Unaudited S\$'000	30/09/2016 Unaudited S\$'000	30/09/2015 Audited S\$'000
Financing activities				
Fixed deposit pledged with financial institutions	-	-	229	(1)
Proceeds from finance lease receivables	31	10	124	10
Proceeds from bank borrowings	-	-	5,276	4,042
Proceeds from medium term notes	-	-	-	49,355
Repayment of bank borrowings	(3,385)	(4,572)	(8,733)	(8,308)
Issued of employee share options	-	-	998	-
Purchase of treasury shares	-	(1,150)	-	(3,303)
Repayments of finance lease payables	(24)	(154)	(214)	(701)
Dividend paid	-	-	(10,313)	(4,077)
Interest paid	(91)	(872)	(3,521)	(540)
Net cash (used in)/generated from financing activities	(3,469)	(6,738)	(16,154)	36,477
Net change in cash and cash equivalents	6,807	28,116	(41,070)	61,845
Cash and cash equivalents at the beginning of the financial period / year	51,732	72,206	100,339	38,498
Effect of foreign exchange rate changes on cash and cash equivalents	79	17	(651)	(4)
Cash and cash equivalents at end of the financial period / year	58,618	100,339	58,618	100,339

Cash and cash equivalents comprised of:

	30/09/2016 Unaudited S\$'000	30/09/2015 Audited S\$'000
Fixed deposits, cash and bank balances	58,618	100,568
Fixed deposits pledged	-	(229)
	58,618	100,339

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 (Unaudited)	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Available-for-sale reserve S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interest S\$'000	Total S\$'000
Balance at 1 October 2015	23,836	(5,728)	479	1,029	(4,794)	(150)	212	96,583	111,467	1,277	112,744
Profit for the financial year	-	-	-	-	-	-	-	34,669	34,669	(1,608)	33,061
Other comprehensive income for the financial year :											
Exchange differences on translating foreign operations	-	-	319	-	-	-	-	-	319	17	336
Fair value gain on available for sale financial assets	-	-	-	-	-	75	-	-	75	-	75
Share of other comprehensive income of associates	-	-	-	-	-	-	(326)	-	(326)	-	(326)
Total comprehensive income for the year	-	-	319	-	-	75	(326)	34,669	34,737	(1,591)	33,146
Contribution by and distribution to owners of the parent:											
Dividends	-	-	-	-	-	-	-	(10,313)	(10,313)	-	(10,313)
Issued of treasury shares	-	1,723	-	(724)	-	-	-	-	999	-	999
Grant of share option to employees	-	-	-	235	-	-	-	-	235	-	235
Total transactions with owners of the parent	-	1,723	-	(489)	-	-	-	(10,313)	(9,079)	-	(9,079)
Changes to ownership interests in subsidiaries :											
Acquisition of interests without change in control	-	-	-	-	-	-	-	(776)	(776)	314	(462)
Balance at 30 September 2016	23,836	(4,005)	798	540	(4,794)	(75)	(114)	120,163	136,349	-	136,349

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 (Cont'd)

Group (Unaudited)	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Available-for-sale reserve S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interest S\$'000	Total S\$'000
Balance at 1 July 2016	23,836	(4,005)	695	463	(4,794)	(150)	-	103,120	119,165	-	119,165
Profit for the financial period	-	-	-	-	-	-	-	17,043	17,043	-	17,043
Other comprehensive income for the financial period:											
Exchange differences on translating foreign operations	-	-	103	-	-	-	-	-	103	-	103
Fair value gain on available for sale financial assets	-	-	-	-	-	75	-	-	75	-	75
Share of other comprehensive income of associates	-	-	-	-	-	-	(114)	-	(114)	-	(114)
Total comprehensive income for the period	-	-	103	-	-	75	(114)	17,043	17,107	-	17,107
Contribution by and distribution to owners of the parent:											
Dividends	-	-	-	-	-	-	-	-	-	-	-
Grant of share option to employees	-	-	-	77	-	-	-	-	77	-	77
Total transactions with owners of the parent	-	-	-	77	-	-	-	-	77	-	77
Balance at 30 September 2016	23,836	(4,005)	798	540	(4,794)	(75)	(114)	120,163	136,349	-	136,349

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 (Cont'd)

Group (Audited)	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Available-for-sale reserve S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interest S\$'000	Total S\$'000
Balance at 1 October 2014	23,836	(2,425)	(24)	479	(4,794)	-	-	62,567	79,639	498	80,137
Profit for the financial year	-	-	-	-	-	-	-	38,093	38,093	726	38,819
Other comprehensive income for the financial year :											
Exchange differences on translating foreign operations	-	-	503	-	-	-	-	-	503	53	556
Fair value loss on available for sale financial assets	-	-	-	-	-	(150)	-	-	(150)	-	(150)
Share of other comprehensive income of associates	-	-	-	-	-	-	212	-	212	-	212
Total comprehensive income for the year	-	-	503	-	-	(150)	212	38,093	38,658	779	39,437
Contribution by and distribution to owners of the parent:											
Dividends	-	-	-	-	-	-	-	(4,077)	(4,077)	-	(4,077)
Grant of share option to employees	-	-	-	550	-	-	-	-	550	-	550
Purchase of treasury shares	-	(3,303)	-	-	-	-	-	-	(3,303)	-	(3,303)
Total transactions with owners of the parent	-	(3,303)	-	550	-	-	-	(4,077)	(6,830)	-	(6,830)
Balance at 30 September 2015	23,836	(5,728)	479	1,029	(4,794)	(150)	212	96,583	111,467	1,277	112,744

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 (Cont'd)

Group (Unaudited)	Share capital S\$'000	Treasury shares S\$'000	Foreign currency translation accounts S\$'000	Share option reserve S\$'000	Merger reserve S\$'000	Available-for-sale reserve S\$'000	Other reserves S\$'000	Retained earnings S\$'000	Equity attributable to owners of the parent S\$'000	Non-controlling interest S\$'000	Total S\$'000
Balance at 1 July 2015	23,836	(4,578)	449	861	(4,794)	-	-	74,052	89,826	553	90,379
Profit for the financial period	-	-	-	-	-	-	-	22,531	22,531	695	23,226
Other comprehensive income for the financial period:											
Exchange differences on translating foreign operations	-	-	30	-	-	-	-	-	30	29	59
Fair value loss on available for sale	-	-	-	-	-	(150)	-	-	(150)	-	(150)
Share of other comprehensive income of associates	-	-	-	-	-	-	212	-	212	-	212
Total comprehensive income for the period	-	-	30	-	-	(150)	212	22,531	22,623	724	23,347
Contribution by and distribution to owners of the parent:											
Grant of share option to employees	-	-	-	168	-	-	-	-	168	-	168
Purchase of treasury shares	-	(1,150)	-	-	-	-	-	-	(1,150)	-	(1,150)
Total transactions with owners of the parent	-	(1,150)	-	168	-	-	-	-	(982)	-	(982)
Balance at 30 September 2015	23,836	(5,728)	479	1,029	(4,794)	(150)	212	96,583	111,467	1,277	112,744

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 (cont'd)

	Share capital S\$'000	Treasury Shares S\$'000	Share option reserve S\$'000	Available-for-sale reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Company (Unaudited)						
Balance at 1 October 2015	23,836	(5,728)	1,029	(150)	9,433	28,420
Profit for the financial year	-	-	-	-	8,248	8,248
Other comprehensive income for the financial year:						
Fair value gain on available for sale financial assets	-	-	-	75	-	75
Total comprehensive income for the year	-	-	-	75	8,248	8,323
Contribution by and distribution to owners of the parent:						
Dividends	-	-	-	-	(10,313)	(10,313)
Grant of share options to employees	-	-	235	-	-	235
Issue of treasury shares	-	1,723	(724)	-	-	999
Total transactions with owners of the parent		1,723	(489)		(10,313)	(9,079)
Balance at 30 September 2016	23,836	(4,005)	540	(75)	7,368	27,664
Company (Audited)						
Balance at 1 October 2014	23,836	(2,425)	479	-	3,356	25,246
Profit for the financial year	-	-	-	-	10,154	10,154
Other comprehensive income for the financial year:						
Fair value loss on available for sale financial assets	-	-	-	(150)	-	(150)
Total comprehensive income for the year	-	-	-	(150)	10,154	10,004
Contribution by and distribution to owners of the parent:						
Dividends	-	-	-	-	(4,077)	(4,077)
Grant of share options to employees	-	-	550	-	-	550
Purchase of treasury shares	-	(3,303)	-	-	-	(3,303)
Total transactions with owners of the parent	-	(3,303)	550	-	(4,077)	(6,830)
Balance at 30 September 2015	23,836	(5,728)	1,029	(150)	9,433	28,420

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 (cont'd)

	Share capital S\$'000	Treasury Shares S\$'000	Share option reserve S\$'000	Available-for- sale reserve S\$'000	Retained earnings S\$'000	Total S\$'000
Company (Unaudited)						
Balance at 1 July 2016	23,836	(4,005)	463	(150)	475	20,619
Profit for the financial period	-	-	-	-	6,893	6,893
Other comprehensive income for the period:						
Fair value gain on available for sale financial assets	-	-	-	75	-	75
Total comprehensive income for the period	-	-	-	75	6,893	6,968
Dividends	-	-	-	-	-	-
Grant of share options to employees	-	-	77	-	-	77
Issue of treasury shares	-	-	-	-	-	-
Balance at 30 September 2016	23,836	(4,005)	540	(75)	7,368	27,664
Company (Unaudited)						
Balance at 1 July 2015	23,836	(4,578)	860	-	1,422	21,540
Profit for the financial period	-	-	-	-	8,011	8,011
Other comprehensive income for the period:						
Fair value loss on available for sale financial assets	-	-	-	(150)	-	(150)
Total comprehensive income for the period	-	-	-	(150)	8,011	7,861
Grant of share options to employees	-	-	169	-	-	169
Purchase of treasury shares	-	(1,150)	-	-	-	(1,150)
Balance at 30 September 2015	23,836	(5,728)	1,029	(150)	9,433	28,420

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

	Number of shares	Share capital (S\$)
As at 1 July 2016	229,170,000	23,836,074
As at 30 September 2016	229,170,000	23,836,074

As at 30 September 2016, the Company held 10,830,000 treasury shares (30 September 2015: 14,050,000 treasury shares).

Employee Share Option Scheme (the "Options")

As at 30 September 2016, there were 7,030,000 Options outstanding (30 September 2015: 6,075,000), which are convertible into 7,030,000 (30 September 2015: 6,075,000) shares.

Save for the Options, the Company did not have any outstanding convertibles as at 30 September 2016 and 30 September 2015.

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

	30/09/2016 Unaudited	30/09/2015 Audited
Total number of issued shares	240,000,000	240,000,000
Treasury shares	(10,830,000)	(14,050,000)
Total number of issued shares, excluding treasury shares	229,170,000	225,950,000

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

	Number of <u>treasury shares</u>
As at 1 October 2015	14,050,000
Transfer to issued shares during the financial year ⁽¹⁾	(3,220,000)
As at 30 September 2016	<u>10,830,000</u>

Notes:

(1) The transfer was pursuant to exercise of Options under the Employee Share Option Scheme.

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

Except as disclosed in note (5) below, the financial results for the current financial year reported on have been presented using the same accounting policies and methods of computation as in the Company's most recently audited financial statement as set out in the Annual Report for the financial year ended 30 September 2015.

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

The Group has adopted all new and revised Financial Reporting Standard ("FRS") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for annual periods beginning on or after 1 October 2015, where applicable. The adoption of these new/revised FRS and INT FRS did not result in any substantial change to the Group's accounting policies and has no material/significant impact on the financial statements of the Group for the current reporting period or prior years reporting period.

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.

**(a) Based on the weighted average number of ordinary shares on issue; and
(b) On a fully diluted basis (detailing any adjustments made to the earnings).**

	Group		Group	
	Fourth Quarter ended		Twelve Months ended	
	30/09/2016 Unaudited	30/09/2015 Audited	30/09/2016 Unaudited	30/09/2015 Audited
Profit attributable to owners of the parent (S\$'000)	17,043	22,531	34,669	38,093
(i) Earnings per share ("EPS") – Basic (Singapore cents) ⁽¹⁾	7.44	9.97	15.18	16.48
Weighted average number of ordinary shares ⁽³⁾	229,170,000	226,096,739	228,398,880	231,151,616
(ii) Earnings per share ("EPS") – Diluted (Singapore cents) ⁽²⁾	7.22	9.730	14.74	16.05
Weighted average number of ordinary shares ⁽³⁾	236,200,000	232,171,739	235,150,546	237,388,329

Notes:

- (1) The calculation for the basic EPS for the relevant financial periods is based on the weighted average number of ordinary shares of the Company.
- (2) The calculation for the diluted EPS is based on the weighted average number of ordinary shares of the Company after adjusting for lapsed Options and dilution assuming the options are fully exercised into ordinary shares of the Company.
- (3) The figure was computed taking into account the shares bought back during the relevant financial periods.

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

	Group		Company	
	30/09/2016 Unaudited	30/09/2015 Audited	30/09/2016 Unaudited	30/09/2015 Audited
Net asset value per ordinary share (Singapore cents)	59.50	49.33	12.07	12.58
Number of issued shares excluding treasury shares at the end of the financial year	229,170,000	225,950,000	229,170,000	225,950,000

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Review of the performance

Revenue

For 12M2016, 99.8% of the Group's revenue was contributed by its building and construction business while the remaining 0.2% was from its real estate investment pertaining to rental income received from its commercial building in Osaka, Japan, which the Group acquired in February 2016.

Group's revenue decreased by 24.8% in fourth quarter ended 30 September 2016 ("**4Q2016**") to S\$57.1 million as compared to S\$76.0 million in fourth quarter ended 30 September 2015 ("**4Q2015**").

For 12 months ended 30 September 2016 ("**12M2016**"), revenue decreased by 12.0% to S\$248.0 million as compared to S\$282.0 million in the corresponding year ended 30 September 2015 ("**12M2015**"). The decrease was attributable to lower recognition of construction revenue in the current reporting year as some of the projects, such as Alexandra Central Phase 2 and SkyPark Residences, had largely been completed in 12M2015. In addition, two new projects, Raffles Hospital Extension and Parc Life, were at initial revenue recognition stage. The decrease in revenue was partially offset by higher revenue contribution from construction of the two resorts and the airport extension in Maldives.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**
- (Cont'd)**

Gross Profit & Gross Profit Margin

Gross profit in 4Q2016 increased by S\$2.8 million or 38.9% to S\$10.0 million as compared to S\$7.2 million in 4Q2015. For 12M2016, gross profit increased by 29.9% from S\$29.9 million in 12M2015 to S\$38.8 million in 12M2016.

The increase in gross profit was mainly due to higher gross profit margin achieved for certain construction projects that are in advanced stage. For 4Q2016, gross profit margin improved to 17.5% as compared to 9.5% in 4Q2015. Gross profit margin for 12M2016 was 15.6% compared to 10.6% in 12M2015. Retention sum received in the first quarter ended 31 December 2015 ("1Q2016") from completed projects had also helped to improve the gross profit for 12M2016.

Administration Expenses

Administration expenses increased by 36.5% or S\$2.0 million to S\$7.3 million in 4Q2016. The increase was mainly due to allowance made for third party doubtful debts of S\$1.9 million and an increase of S\$0.6 million in depreciation expense for the Company's light industry factory at Sungei Kadut ("Sungei Kadut Factory) and additional office equipment. The increase was partially offset by lower staff cost of S\$0.5 million due to downward adjustment in bonus provision.

For 12M2016, administrative expenses increased by 47.9% or S\$5.6 million from S\$11.7 million in 12M2015 to S\$17.3 million in 12M2016. The increase was due mainly to increase in depreciation expense and legal & professional fees of S\$2.2 million and S\$0.8m respectively, provision of doubtful debts of S\$1.9 million and foreign exchange loss of S\$1.1 million.

Other Income

Other income decreased by 35.5% or S\$0.7 million to S\$1.3 million in 4Q2016 due mainly to lower foreign exchange gain.

For 12M2016, other income increased by 7.1% or S\$0.4 million to S\$6.0 million due mainly to higher interest income and income from rental of equipment and the increase was partially offset by lower foreign exchange gain.

Finance Costs

Finance costs increased by S\$2.4 million to S\$3.8 million in 12M2016 due mainly to interest for the Term Notes.

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.
- (Cont'd)

Share of Results of Joint Ventures/Associates

For 12M2016, the Group recorded a net gain of S\$14.0 million from joint ventures and associates which was due mainly to share of results from its joint venture, Oasis Development Pte Ltd, as a result of the TOP of Skypark Residences in August 2016. For 12M2016, the net gain from joint ventures and associates was S\$19.2 million due mainly from the joint property development project, Twin Waterfalls Executive Condominium, which obtained its TOP in FY2015.

Profit before Income Tax

The Group's profit before tax decreased by 22.2% to S\$17.7 million in 4Q2016 as compared to S\$22.7 million in 4Q2015. For 12M2016, the Group's net profit before tax decreased by 9.3% or S\$3.8 million to S\$37.7 million as compared to S\$41.5 million in 12M2015. The decrease was mainly due to lower gain from the share of results of joint ventures and associates.

Review of Financial Position

Non-Current Assets

Property, plant and equipment increased from S\$29.2 million as at 30 September 2015 to S\$36.9 million as at 30 September 2016. The increase of S\$7.7 million was mainly due to acquisition of a commercial property in Osaka on 29 February 2016. The increase was partially offset by the Group's depreciation expense of S\$6.4 million.

Current Assets

Trade and other receivables increased by S\$35.3 million from S\$163.2 million as at 30 September 2015 to S\$198.5 million as at 30 September 2016. The increase was largely due to additional shareholder's loan of S\$57.2 million extended to associates and joint ventures for various property development projects. The increase was partially offset by repayment of shareholders loan of S\$12.6 million from joint venture and lower progress billing of S\$9.3 million due to lower revenue in 12M2016.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**
- (Cont'd)

Current Liabilities

Current liabilities decreased by S\$19.1 million from S\$172.1 million as at 30 September 2015 to S\$153.0 million as at 30 September 2016. This was due to decrease in trade and other payables and amount due to contract customers of S\$17.5 million and S\$4.2 million respectively as a result of lower revenue and payment made to suppliers and subcontractors during the current reporting year. The decrease was partially offset by an increase in current income tax payable of S\$2.6 million.

The working capital of the Group has increased from S\$102.5 million as at 30 September 2015 to S\$114.6 million as at 30 September 2016.

Non-Current Liabilities

Non-current liabilities decreased by S\$3.4 million from S\$55.2 million as at 30 September 2015 to S\$51.8 million as at 30 September 2016 due to repayment of bank borrowings.

Review of Cash Flow Statement

For 12M2016, the Group generated positive operating cash flows of S\$32.9 million before movements in working capital. After taking into consideration of changes in working capital, which mainly included a decrease in trade and other receivables and amount due from contract customer of S\$8.6 million, decrease in trade and other payables and amount due to contract customer of S\$21.7 million, and income tax payment of S\$2.5 million, the Group generated a net cash inflow from operating activities of S\$17.6 million.

Net cash used in investing activities of S\$42.5 million in 12M2016 was mainly attributable to acquisition of property, plant and equipment of S\$14.6 million and loan to joint ventures of S\$60.1 million. The outflow was partially offset by repayment of loan of S\$20.7 million from joint ventures and dividend income of S\$15.0 million received from an associate.

Net cash used in financing activities of S\$16.2 million in 12M2016 was mainly due to repayment of bank borrowings of S\$8.7 million, interest payment of S\$3.5 million and dividend payment of S\$10.3 million. The outflow was partially offset by proceeds from bank borrowings of S\$5.3 million.

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

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

10. **A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Building Construction

The main construction projects pipeline of the Group include Mercure Maldives Kooddoo Resort, Pullman Maldives Maamutaa Resort, The Amore, J Gateway, Parc Life and Raffles Hospital's new 20-storey medical tower.

As at 30 September 2016, the Group's construction order book stood at approximately S\$351 million, providing the Group with a sustainable flow of activities through FY2018.

Singapore's economy grew by 1.1% on a year-on-year basis in the third quarter of 2016, a contraction from the 2.0% growth the previous quarter. The construction sector was one of those which struggled to gain momentum, moderating to 1.6% growth in the third quarter of 2016 from 2.0% in the previous quarter¹. According to statistics released by Ministry of Trade and Industry, the slowdown in the construction sector was due to a sharper decline in private sector construction.

The Group foresees that 2017 will be a difficult year for the local construction sector, particularly in private residential construction. As such, the Group intends to focus on the commercial, industrial and institutional sector.

Property Development and Investment

SkyPark Residences which was 99.8% sold, obtained its TOP in August 2016. The Amore, which was 100% sold, obtained its TOP on 28 November 2016.

Parc Life has registered sales booking of approximately 22.0% to-date, reflecting the generally lacklustre property market and weak economic conditions.

The Group's Joint venture, East Vue Pte Ltd, is expected to launch its 841-unit residential condominium development at Siglap in the first half of 2017.

Given the increased supply of completed housing projects and the property cooling measures still firmly in place, the outlook for private residential development, in general, does not look positive in the next 12 months. Going forward, the Group will continue to look out for viable real estate projects in Singapore and also to focus on seeking property investment opportunities overseas to further expand its business.

¹ Ministry of Trade and Industry, "MTI Forecasts GDP to Grow by 1.0 to 1.5 Per Cent in 2016 and 1.0 to 3.0 Per Cent in 2017"
https://www.mti.gov.sg/ResearchRoom/SiteAssets/Pages/Economic-Survey-of-Singapore-Third-Quarter-2016/PR_3Q16.pdf

10. **A commentary at the date of the announcement of the competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months. (cont'd)**

Hotel Development and Investment

The Group's 68-villa Mercure Maldives Kooddoo Resort is expected to be completed within the next two to three months. The Group has also commenced construction works for the upscale 120-villa Pullman Maldives Maamutaa Resort which is expected to be completed in 2018.

The mixed-use development project at the former Joo Chiat Police Station, which include The Holiday Inn Express Singapore Katong, Hotel Indigo Singapore Katong and Katong Square, has commenced operations. The two hotels were opened in May and June 2016 respectively whilst Katong Square, the areas that housed the food and beverage outlets and retail shops, has officially opened in November 2016. The Group owns 20% interest in this joint venture.

Besides Maldives and Singapore, the Group sees long term expansion prospects in the tourism industry in Japan, Australia, Malaysia and Indonesia. Over time, the Group hope to grow the contribution from hotel development and investment to form a more substantial portion of its results.

11. Dividend

(a) Current Financial Period Reported On

Yes.

Name of Dividend	Interim	Final
Type of Dividend	Cash	Cash
Dividend Amount per share (Singapore cents)	0.5	3.0
Tax rate	Tax exempt (one-tier)	Tax exempt (one-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Yes

Name of Dividend	Interim	Final
Type of Dividend	Cash	Cash
Dividend Amount per share (Singapore cents)	0.5	4.0
Tax rate	Tax exempt (one-tier)	Tax exempt (one-tier)

11. Dividend (Cont'd)

(c) Date payable

To 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. 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 Group does not have a general mandate for IPT. There was no IPT in 12M2016.

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

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

(a) By Activities

	Buildings and Construction \$'000	Property Development \$'000	Real Estate Investment \$'000	Total \$'000
<u>2016</u>				
Revenue	247,564	-	450	248,014
Profit from operations				
Share of results from joint ventures, net of tax	-	15,119	-	15,119
Share of results from associates, net of tax	-	(1,158)	-	(1,158)
Interest Income	2,871	-	-	2,871
Interest expense	(3,759)	-	-	(3,759)
Depreciation and amortisation	(6,377)	-	-	(6,377)
Income tax	(4,600)	-	(8)	(4,608)
Reportable segment profit before income tax	23,635	13,961	73	37,669
Net profit for the financial year after tax	19,035	13,961	65	33,061
<u>Other information:</u>				
Capital expenditure	2,149	-	12,443	14,592
Investment in joint ventures	-	15,886	-	15,886
Investment in associates	-	7,245	-	7,245
Segment assets	304,172	23,131	13,896	341,199
Segment liabilities	194,372	-	10,478	204,850

PART II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

14. **Segmented revenue and results for operating 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. (Cont’d)**

(a) By Activities (Cont’d)

	Buildings and Construction \$’000	Property Development \$’000	Real Estate Investment \$’000	Total \$’000
<u>2015</u>				
Revenue	281,984	-	-	281,984
Profit from operations				
Share of results from joint ventures, net of tax	-	3	-	3
Share of results from associates, net of tax	-	19,158	-	19,158
Interest Income	2,269	-	-	2,269
Interest expense	(1,415)	-	-	(1,415)
Depreciation and amortisation	(3,911)	-	-	(3,911)
Income tax	(2,691)	-	-	(2,691)
Reportable segment profit before income tax	22,348	19,162	-	41,510
Net profit for the financial year after tax	19,658	19,162	-	38,819
<u>Other information:</u>				
Capital expenditure	18,617	-	-	18,617
Investment in joint ventures	-	93	-	93
Investment in associates	-	23,071	-	23,071
Segment assets	316,893	23,164	-	340,057
Segment liabilities	227,313	-	-	227,313

(b) Geographical segment information:

	2016 \$’000	2015 \$’000
<u>Revenue</u>		
Singapore	222,064	268,065
Maldives	25,500	13,919
Japan	450	-
Total Revenue	248,014	281,984
<u>Non-current Assets</u>		
Singapore	45,687	51,597
Maldives	1,681	1,011
Japan	12,929	-
Total Non-current Assets	60,297	52,608

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

For FY2016, the Group had recognized the contribution from its another property development business through share of result from its joint venture, Oasis Development Pte Ltd, as a result of the TOP of Skypark Residences.

Revenue from Maldives has increased to S\$25.5 million in FY2016 compared to S\$13.9 million in FY2015 due to the increase in construction activities for projects in Maldives.

16. A breakdown of sales

	<u>Group</u>		Increase / (Decrease) %
	FY2016 S\$'000	FY2015 S\$'000	
Sales reported for first half year	125,227	141,386	(11.4%)
Profit after tax before deducting non-controlling interests reported for first half year	9,864	9,167	7.6%
Sales reported for second half year	122,787	140,598	(12.7%)
Profit after tax before deducting non-controlling interests reported for second half year	23,197	29,652	(21.8%)

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

	FY2016 \$'000	FY2015 \$'000
Ordinary Shares		
- Interim	1,146	1,165
- Final	6,875*	9,038
Total	8,021	10,203

* The final dividend for FY2016 is subject to shareholders' approval at the forthcoming annual general meeting of the Company.

18. Confirmation pursuant to Rule 704(13) of the Listing Manual of the SGX-ST.

Pursuant to Rule 704(13) of the Listing Manual of the SGX-ST, the Company confirms that, for the financial year ended 30 September 2016, there is no persons occupying managerial positions in the Company or any of its principal subsidiaries who is a relative of a director, chief executive officer or substantial shareholder of the Company.

19. Confirmation pursuant to Rule 720 (1) of the Listing Manual SGX-ST.

The Company confirms that it has procured undertakings from all its Directors and Executive Officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual of the SGX-ST.

By Order of the Board

Leo Ting Ping Ronald
Executive Chairman and Chief Executive Officer
28 November 2016