

**FINANCIAL STATEMENT AND RELATED ANNOUNCEMENT**  
**FOR THE FULL YEAR ENDED 30 JUNE 2017**

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

This announcement has not been examined or approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this announcement.

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

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

Statement of Comprehensive Income	Group		Change %
	FY2017 S\$'000	FY2016 S\$'000	
<b>Revenue</b>	72,887	148,055	(50.8)
Cost of works	(66,690)	(137,928)	(51.6)
<b>Gross profit</b>	<b>6,197</b>	<b>10,127</b>	<b>(38.8)</b>
Other income	693	1,253	(44.7)
Other losses	(351)	(551)	(36.3)
<b>Expenses</b>			
Distribution and marketing	(626)	(400)	56.5
Administrative	(6,904)	(7,758)	(11.0)
Finance	(290)	(190)	52.6
	(7,820)	(8,348)	(6.3)
<b>(Loss) / profit before income tax</b>	<b>(1,281)</b>	<b>2,481</b>	<b>(151.6)</b>
Income tax expense	(32)	(518)	(93.8)
<b>Net (loss) / profit</b>	<b>(1,313)</b>	<b>1,963</b>	<b>(166.9)</b>
<b>Other comprehensive (loss) / income:</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Currency translation differences arising from consolidation	(84)	(198)	(57.6)
<b>Total comprehensive (loss) / income for the year</b>	<b>(1,397)</b>	<b>1,765</b>	<b>(179.2)</b>
<b>Net (loss) / profit attributable to:</b>			
Equity holders	(1,066)	2,096	(150.8)
Non-controlling interests	(247)	(133)	86.0
	<b>(1,313)</b>	<b>1,963</b>	<b>(166.9)</b>
<b>Total comprehensive (loss) / income attributable to:</b>			
Equity holders	(1,150)	1,898	(160.6)
Non-controlling interests	(247)	(133)	86.0
	<b>(1,397)</b>	<b>1,765</b>	<b>(179.2)</b>

**Notes to Consolidated Statement of Comprehensive Income**

The Group's profit or loss before tax is arrived at after charging / (crediting):	FY2017 S\$'000	FY2016 S\$'000	Change %
Equipment handling income	(205)	(290)	(29.5)
Dormitory income	-	(730)	NM
Rental income	(61)	(34)	80.5
Gain on disposal of property, plant and equipment	(6)	*	NM
Government grant and subsidy	(89)	(93)	(4.4)
Insurance compensation	(27)	(4)	585.0
Settlement claim from sub-contractor	-	(65)	NM
Depreciation of property, plant and equipment-cost of works	1,274	1,263	0.9
Depreciation of property, plant and equipment-administrative	747	1,074	(30.4)
Depreciation of investment properties-administrative	6	6	0.0
Interest expense	290	190	52.6
Allowance on impairment of property, plant and equipment	-	245	NM
Waiver of non-trade payable	(200)	-	NA
Currency translation loss	351	269	30.7

NM denotes not meaningful

NA denotes not applicable

\* Denotes amount less than S\$1,000.00

**1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

Statement of Financial Position	Note	Group		Company	
		30-Jun-17 S\$'000	30-Jun-16 S\$'000	30-Jun-17 S\$'000	30-Jun-16 S\$'000
<b>ASSETS</b>					
<b>Current assets</b>					
Cash and cash equivalents		3,547	11,170	152	289
Trade and other receivables	A	30,841	27,261	8,551	6,368
Inventories		41	125	-	-
Construction contract work-in-progress		-	37	-	-
Development properties		42,007	35,871	-	-
Other current assets		746	1,148	4	20
<b>Total current assets</b>		<b>77,182</b>	<b>75,612</b>	<b>8,707</b>	<b>6,677</b>
<b>Non-current assets</b>					
Investment in subsidiary corporations		-	-	20,172	19,772
Property, plant and equipment		3,599	5,272	14	-
Investment properties		216	223	-	-
<b>Total non-current assets</b>		<b>3,815</b>	<b>5,495</b>	<b>20,186</b>	<b>19,772</b>
<b>Total assets</b>		<b>80,997</b>	<b>81,107</b>	<b>28,893</b>	<b>26,449</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Trade and other payables	B	21,569	26,864	5,460	2,959
Borrowings		27,654	3,994	2,000	2,000
Current income tax liabilities		163	503	5	7
<b>Total current liabilities</b>		<b>49,386</b>	<b>31,361</b>	<b>7,465</b>	<b>4,966</b>
<b>Non-current liabilities</b>					
Borrowings		7,251	23,248	-	-
Deferred income tax liabilities		96	157	-	-
<b>Total non-current liabilities</b>		<b>7,347</b>	<b>23,405</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>56,733</b>	<b>54,766</b>	<b>7,465</b>	<b>4,966</b>
<b>NET ASSETS</b>		<b>24,264</b>	<b>26,341</b>	<b>21,428</b>	<b>21,483</b>
<b>Equity</b>					
Share capital		15,196	15,196	15,196	15,196
Retained profits		12,374	14,120	6,232	6,287
Currency translation reserve		(597)	(513)	-	-
Other reserve		(52)	(52)	-	-
Merger reserve		(2,014)	(2,014)	-	-
<b>Equity attributable to equity holders of the Company</b>		<b>24,907</b>	<b>26,737</b>	<b>21,428</b>	<b>21,483</b>
Non-controlling interests		(643)	(396)	-	-
<b>Total equity</b>		<b>24,264</b>	<b>26,341</b>	<b>21,428</b>	<b>21,483</b>

Note A: Trade and other receivables	Group		Company	
	30-Jun-17 S\$'000	30-Jun-16 S\$'000	30-Jun-17 S\$'000	30-Jun-16 S\$'000
<u>Trade receivables</u>				
Non-related parties	5,358	3,741	-	-
Subsidiary corporations	-	-	3,152	969
	<b>5,358</b>	<b>3,741</b>	<b>3,152</b>	<b>969</b>
<u>Construction contracts:</u>				
Due from customers	23,105	20,370	-	-
Retentions	2,360	3,141	-	-
<u>Non-trade receivables:</u>				
Non-related parties	2	3	-	-
Subsidiary corporations	-	-	5,399	5,399
Staff advances	16	6	-	-
	<b>30,841</b>	<b>27,261</b>	<b>8,551</b>	<b>6,368</b>

Note B: Trade and other payables	Group		Company	
	30-Jun-17 S\$'000	30-Jun-16 S\$'000	30-Jun-17 S\$'000	30-Jun-16 S\$'000
<u>Trade payables</u>				
Non-related parties	7,152	11,054	43	35
Non-controlling interests	559	562	-	-
<u>Construction contracts:</u>				
Due to customers	557	475	-	-
<u>Non-trade payables:</u>				
Non-related parties	1	220	-	-
Directors	2,242	2	240	-
Non-controlling interests	-	200	-	-
Subsidiary corporations	-	-	4,922	2,657
Deposits	936	37	-	-
Accrued operating expenses	10,122	14,314	255	267
	<b>21,569</b>	<b>26,864</b>	<b>5,460</b>	<b>2,959</b>

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

	30-Jun-2017		30-Jun-2016	
	Secured	Unsecured	Secured	Unsecured
Repayable in one year or less, or on demand (S\$'000)	27,654	-	3,994	-
Repayable after one year (S\$'000)	7,251	-	23,248	-

**Details of any collateral**

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

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

Consolidated Statement of Cash Flows	FY2017 S\$'000	FY2016 S\$'000
<b>Cash flows from operating activities</b>		
Net (loss) / profit	(1,313)	1,963
<u>Adjustments for:</u>		
Income tax expense	32	518
Depreciation	2,027	2,343
Gains on disposal of property, plant and equipment	(6)	*
Interest expense	290	190
Allowance on impairment of property, plant and equipment	-	245
Unrealised currency translation differences	(1,200)	136
	<b>(170)</b>	<b>5,395</b>
<b>Changes in working capital</b>		
Trade and other receivables	(3,583)	14,047
Other current assets	397	(491)
Trade and other payables	(5,318)	(4,835)
Inventories	91	800
Construction contract work-in-progress	37	17
Additions to development properties	(5,357)	(4,769)
<b>Cash (used in) / provided by operations</b>	<b>(13,903)</b>	<b>10,164</b>
Income tax paid	(434)	(402)
<b>Net cash (used in) / provided by operating activities</b>	<b>(14,337)</b>	<b>9,762</b>
<b>Cash flows from investing activities</b>		
Additions to property, plant and equipment	(451)	(341)
Acquisition of additional equity interest in subsidiary corporation	-	(30)
Proceeds from disposal of property, plant and equipment	6	*
<b>Net cash used in investing activities</b>	<b>(445)</b>	<b>(371)</b>
<b>Cash flows from financing activities</b>		
Dividends paid	(680)	(1,360)
Repayment of finance leases	(331)	(358)
Proceeds from borrowings	9,653	1,768
Repayment of borrowings	(1,167)	(3,666)
Interest paid	(290)	(190)
<b>Net cash provided by / (used in) financing activities</b>	<b>7,185</b>	<b>(3,806)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(7,597)</b>	<b>5,585</b>
<b>Cash and cash equivalents</b>		
Beginning of the financial year	11,170	5,592
Effect of currency translation on cash and cash equivalents	(26)	(7)
<b>End of the financial year</b>	<b>3,547</b>	<b>11,170</b>

\* Denotes amount less than S\$1,000.00

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

Statement of Changes in Equity	Share capital	Retained profits	Currency translation reserve	Merger reserve	Other reserve	Equity attributable to equity holders of the Company	Non-controlling interests	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
<b>The Group</b>								
As at 1 July 2016	15,196	14,120	(513)	(2,014)	(52)	26,737	(396)	26,341
Dividend relating to 2016	-	(680)	-	-	-	(680)	-	(680)
Total comprehensive loss for the year	-	(1,066)	(84)	-	-	(1,150)	(247)	(1,397)
<b>As at 30 June 2017</b>	<b>15,196</b>	<b>12,374</b>	<b>(597)</b>	<b>(2,014)</b>	<b>(52)</b>	<b>24,907</b>	<b>(643)</b>	<b>24,264</b>
<b>The Company</b>								
As at 1 July 2015	15,196	13,384	(315)	(2,014)	-	26,251	(285)	25,966
Dividend relating to 2015	-	(1,360)	-	-	-	(1,360)	-	(1,360)
Acquisition of additional equity interest in subsidiary corporation	-	-	-	-	(52)	(52)	22	(30)
Total comprehensive income for the year	-	2,096	(198)	-	-	1,898	(133)	1,765
<b>As at 30 June 2016</b>	<b>15,196</b>	<b>14,120</b>	<b>(513)</b>	<b>(2,014)</b>	<b>(52)</b>	<b>26,737</b>	<b>(396)</b>	<b>26,341</b>
<b>The Company</b>								
As at 1 July 2016	15,196	6,287	-	-	-	21,483	-	21,483
Dividend relating to 2016	-	(680)	-	-	-	(680)	-	(680)
Total comprehensive income for the year	-	625	-	-	-	625	-	625
<b>As at 30 June 2017</b>	<b>15,196</b>	<b>6,232</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,428</b>	<b>-</b>	<b>21,428</b>
As at 1 July 2015	15,196	6,780	-	-	-	21,976	-	21,976
Dividend relating to 2015	-	(1,360)	-	-	-	(1,360)	-	(1,360)
Total comprehensive income for the year	-	867	-	-	-	867	-	867
<b>As at 30 June 2016</b>	<b>15,196</b>	<b>6,287</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,483</b>	<b>-</b>	<b>21,483</b>

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, if any, against the total number of issued shares excluding treasury shares and subsidiary holding 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

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

The Company did not have any outstanding options, convertibles or treasury shares and subsidiary holdings as at 30 June 2017 and 30 June 2016.

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

170,000,000 ordinary shares were issued as at 30 June 2017 (30 June 2016: 170,000,000 ordinary shares).

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

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

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

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

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

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

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

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

Not applicable.

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

Save as disclosed in Section 5 below, the Group has applied the same accounting policies and methods of computation in the Group's financial statements for the current financial year compared to the most recently audited financial statements for the financial year ended 30 June 2016.

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

The Group has adopted all new and revised Singapore Financial Reporting Standards ("FRSs") and Interpretations of FRS ("INT FRS") that are relevant to its operations and effective for the financial year beginning on or after 1 July 2016, where applicable. The adoption of these new and revised standards from the effective date did not result in any material impact to the financial statements of the Group for the current financial year reported on.

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

	Group	
	FY2017	FY2016
Profit attributable to equity holders of the Company (S\$'000)	(1,066)	2,096
Weighted average number of ordinary shares used in the computation of basic and diluted EPS ('000)	170,000	170,000
Basic and fully diluted earnings per share (Singapore cents)	(0.63)	1.23

The diluted and basic EPS are the same for FY2017 and FY2016 as there were no potentially dilutive ordinary shares as at 30 June 2017 and 30 June 2016.

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

Net Asset Value per ordinary share <sup>1</sup>	Group		Company	
	30-Jun-17 Singapore Cents	30-Jun-16 Singapore Cents	30-Jun-17 Singapore Cents	30-Jun-16 Singapore Cents
Net asset value per ordinary share based on issued share capital	14.27	15.49	12.60	12.64

<sup>1</sup> The net asset value per ordinary share for the Group and the Company as at 30 June 2017 and 30 June 2016 is computed based on the share capital of the Company of 170,000,000 shares.

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

#### **REVIEW OF FINANCIAL PERFORMANCE**

##### **Revenue**

Our revenue decreased by approximately S\$75.2 million or 50.8% from approximately S\$148.1 million in FY2016 to approximately S\$72.9 million in FY2017. The decrease in revenue was mainly due to substantial completion of certain projects in FY2016, resulting in lower revenue recognised in FY2017 since several projects were nearing completion. These projects include, among others, revenue from construction works relating to alteration and addition works, new building works and home improvement program works.

##### **Cost of works, gross profit and gross profit margin**

Our cost of works decreased by approximately S\$71.2 million or 51.6% from approximately S\$137.9 million in FY2016 to approximately S\$66.7 million in FY2017. The decrease in cost of works was mainly attributable to lower cost incurred for materials, subcontracting and projects overheads which was largely in line with the decrease in work done for our projects. Our gross profit margin rose by approximately 1.7 percentage points from 6.8% in FY2016 to 8.5% in FY2017 mainly due to recognition of certain variation orders relating to new building and design and build of upgrading works.

##### **Other income**

Our other income decreased by approximately S\$0.6 million or 44.7%, from approximately S\$1.3 million in FY2016 to approximately S\$0.7 million in FY2017. This was mainly due to the absence of dormitory income in FY2017, compared to contribution of approximately S\$0.7 million in FY2016, as the lease ended during the first half of FY2016 and lower equipment handling income of approximately S\$0.1 million as one of the land leases for the equipment handling ended during FY2016, offset by a waiver of non-trade payable by a related party of S\$0.2 million.

##### **Other losses**

Our other losses decreased by approximately S\$0.2 million or 36.3%, from approximately S\$0.6 million in FY2016 to approximately S\$0.4 million in FY2017. This was due to the allowance on impairment of property, plant and equipment of approximately S\$0.2 million for precast moulds in FY2016.

##### **Distribution and marketing expenses**

Distribution and marketing expenses increased by approximately S\$0.2 million or 56.5%, from approximately S\$0.4 million in FY2016 to approximately S\$0.6 million in FY2017, mainly due to higher delivery charges incurred by our precast plant.

##### **Administrative expenses**

Our administrative expenses decreased by approximately S\$0.9 million or approximately 11.0% from approximately S\$7.8 million in FY2016 to S\$6.9 million in FY2017. The decrease was mainly due to lower: (i) depreciation of approximately S\$0.3 million from our workers dormitories as the lease had ended in 1H FY2016, (ii) repair and maintenance of approximately S\$0.3 million for our workers dormitory as the lease had ended in 1H FY2016, (iii) payroll expenses of approximately S\$0.1 million mainly due to staff attrition, (iv) licence fee for our precast business of approximately S\$0.2 million and (v) donations, insurance, office and medical expenses of approximately S\$0.1 million.

##### **Finance expenses**

The finance costs increased by approximately S\$100,000 or 52.6%, from approximately S\$190,000 in FY2016 to approximately S\$290,000 in FY2017, mainly due to higher interest payment on short-term loans that were drawn down during the year ended 30 June 2017 for working capital purpose.

##### **Income tax expense**

The income tax expense of approximately S\$32,000 for FY2017 was due to the profit before tax position for certain Singapore subsidiaries.

##### **Net profit**

As a result of the above, the Group recorded a net loss of approximately S\$1.3 million in FY2017 compared to a net profit of approximately S\$2.0 million in FY2016.

## **REVIEW OF FINANCIAL POSITION**

### **Current assets**

The Group's current assets increased by approximately S\$1.6 million or 2.1% from approximately S\$75.6 million as at 30 June 2016 to approximately S\$77.2 million as at 30 June 2017, mainly due to increase in trade and other receivables of approximately S\$3.6 million and capitalisation of costs for the development properties in Singapore and Malaysia of approximately S\$6.1 million, offset by decrease in cash and cash equivalents of approximately S\$7.6 million, lower prepayment and deposits placed for services in relation to our development properties and utilities of approximately S\$0.4 million and reduction of inventories of approximately S\$0.1 million.

The increase in trade and other receivables was mainly due to the increase in trade receivables by approximately S\$1.6 million, higher amount due from contract customers of approximately S\$2.7 million for project works performed and pending billing as at 30 June 2017, offset by a decrease in project retention sum of approximately S\$0.8 million.

### **Non-current assets**

Non-current assets decreased by approximately S\$1.7 million from approximately S\$5.5 million as at 30 June 2016 to approximately S\$3.8 million as at 30 June 2017. The decrease was mainly attributable to property, plant and equipment depreciation expenses of approximately S\$2.0 million, offset by additions to property, plant and equipment of S\$0.5 million.

### **Current liabilities**

The Group's current liabilities increased by approximately S\$18.0 million or 57.5% from approximately S\$31.4 million as at 30 June 2016 to approximately S\$49.4 million as at 30 June 2017, due to increase in bank borrowings of approximately S\$23.7 million, offset by a decrease in trade and other payables of approximately S\$5.3 million and decrease in income tax liabilities of approximately S\$0.3 million. The increase in bank borrowings was mainly due to reclassification of certain portion of a term loan from non-current liabilities and additional draw down of banking facilities to finance our property development and working capital.

The decrease in trade and other payables was mainly due to the decrease in trade payables of approximately S\$3.9 million and lower accrued operating expenses of approximately S\$4.2 million which was in line with the decrease in cost of works, lower non-trade payables to third parties of approximately S\$0.2 million and waiver of non-trade payables to non-controlling interests of S\$0.2 million, offset by increase in amount due to directors of approximately S\$2.2 million for their unpaid contractual bonus and advances extended by them at interest free to a subsidiary.

### **Non-current liabilities**

The decrease in non-current liabilities of approximately S\$16.1 million or 68.6% was mainly due to repayment of bank borrowings and finance lease liabilities and reclassification of certain portion of a term loan to current liabilities.

### **Shareholders' equity**

As at 30 June 2017, the shareholders' equity stood at approximately S\$24.2 million, as compared to approximately S\$26.3 million as at 30 June 2016. The decrease of approximately S\$2.1 million was mainly attributable to current period net loss of approximately S\$1.4 million and payment of dividends of approximately S\$0.7 million.

The Group continued to register a net current assets of approximately S\$27.8 million as at 30 June 2017 compared to S\$44.3 million as at 30 June 2016.

## **REVIEW OF CASH POSITION**

Cash and cash equivalents stood at approximately S\$3.5 million as at 30 June 2017, representing a decrease of approximately S\$7.7 million from approximately S\$11.2 million as at 30 June 2016.

In FY2017, net cash used in operating activities was approximately S\$14.3 million. This was mainly due to operating cash outflows before working capital changes of approximately S\$0.2 million, adjusted for net working capital outflows of approximately S\$13.7 million and income tax paid of approximately S\$0.4 million. The net working capital outflows was mainly due to an increase in trade and other receivables of approximately S\$3.6 million, a decrease in trade and other payables of approximately S\$5.3 million, additions to development properties of approximately S\$5.3 million, offset by a decrease in other current assets of approximately S\$0.4 million.

Net cash used in investing activities during FY2017 was approximately S\$0.4 million, mainly due to additions of property, plant and equipment.

Net cash provided by financing activities during FY2017 was approximately S\$7.2 million, mainly due to increase in net bank borrowings of approximately S\$8.2 million, mainly to finance our working capital and development property during FY2017, offset by interest paid on borrowings of approximately S\$0.3 million and dividend payment of approximately S\$0.7 million.

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

Not applicable. The Company did not make any forecast or prospect statement.

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

The Board of Directors of the Company expects the business environment to be challenging in the next 12 months. The public sector construction industry will continue to see intense competition and price pressure, which may adversely affect our construction and precast businesses. Nonetheless, we will continue to tender for new projects prudently and also rationalise our operations as necessary. Our existing order book stood at approximately S\$78.2 million as at the date of this announcement.

We are currently awaiting the TOP for our freehold residential cluster houses in Singapore. We have completed the Phase 1 (total of 3 Phases) of our freehold medium industrial factories located at Senai Industrial Park, Johor, Malaysia. We will step up the marketing activity for these two projects to move sales.

11 **Dividend**  
**(a) Current Financial Period Reported On**  
 No

**(b) Corresponding Period of the Immediately Preceding Financial Year**  
 Yes

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

**(c) Date payable:**  
 Not applicable

**(d) Books closure date:**  
 Not applicable

12 **If no dividend has been declared (recommended), a statement to that effect.**  
 No dividend has been declared (recommended) for the financial year ended 30 June 2017.

13 **If the Group has obtained a general mandate from shareholders for interested persons transactions ("IPT") the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**  
 There were no IPT of S\$100,000 and above for the financial year ended 30 June 2017.  
 The Group does not have a general mandate from shareholders for IPTs.

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

## PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR RESULTS

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

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

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

The Group's activities comprise the following reportable segments:

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

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

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

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

Business segment (Group)	FY2017					
	General building S\$'000	Precast manufacturing S\$'000	Properties investment S\$'000	Soil investigation S\$'000	Elimination S\$'000	Total S\$'000
<b>Revenue</b>						
External	70,038	2,849	-	-	-	72,887
Inter-segment	4,374	629	-	-	(5,003)	-
	<b>74,412</b>	<b>3,478</b>	-	-	<b>(5,003)</b>	<b>72,887</b>
<b>Gross profit / (loss)</b>	<b>6,707</b>	<b>(73)</b>	-	-	<b>(437)</b>	<b>6,197</b>
Other income						693
Unallocated costs						(7,881)
Finance expense						(290)
Loss before income tax						(1,281)
Income tax expense						(32)
<b>Net loss</b>						<b>(1,313)</b>
Net profit includes:						
Depreciation	1,225	795	7	-	-	2,027
<b>Segment assets</b>	<b>30,112</b>	<b>1,386</b>	<b>42,751</b>	<b>140</b>	-	<b>74,389</b>
Total segment assets includes						
Additions to property, plant and equipment	223	64	-	140	-	427
Additions to development properties	-	-	5,357	-	-	5,357
<b>Segment liabilities</b>	<b>16,772</b>	<b>2,697</b>	<b>21,735</b>	<b>1</b>	-	<b>41,207</b>



Business segment (Group)	FY2016					
	General building S\$'000	Precast manufacturing S\$'000	Properties investment S\$'000	Soil investigation S\$'000	Elimination S\$'000	Total S\$'000
<b>Revenue</b>						
External	146,942	491	-	622	-	148,055
Inter-segment	1,772	3,959	-	98	(5,829)	-
	<b>148,714</b>	<b>4,450</b>	<b>-</b>	<b>720</b>	<b>(5,829)</b>	<b>148,055</b>
<b>Gross profit</b>	<b>9,103</b>	<b>911</b>	<b>-</b>	<b>388</b>	<b>(275)</b>	<b>10,127</b>
Other income						1,253
Impairment charge						(245)
Unallocated costs						(8,464)
Finance expense						(190)
Profit before income tax						2,481
Income tax expense						(518)
<b>Net profit</b>						<b>1,963</b>
Net profit includes:						
Depreciation	1,519	819	5	-	-	2,343
<b>Segment assets</b>	<b>26,504</b>	<b>2,187</b>	<b>36,199</b>	<b>-</b>	<b>-</b>	<b>64,890</b>
Total segment assets includes						
Additions to property, plant and equipment	303	30	8	-	-	341
Additions to development properties	-	-	4,769	-	-	4,769
<b>Segment liabilities</b>	<b>12,210</b>	<b>2,490</b>	<b>22,726</b>	<b>-</b>	<b>-</b>	<b>37,426</b>

#### Geographical segment

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

	Group		
	Non-current assets		
	As at 30 June 2017 S\$'000	As at 30 June 2016 S\$'000	Change %
Singapore	2,616	3,466	(24.5)
Malaysia	1,199	2,029	(40.9)
	<b>3,815</b>	<b>5,495</b>	<b>(30.6)</b>

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

##### General building

Total revenue for General building activities decreased by approximately S\$74.3 million from approximately S\$148.7 million in FY2016 to approximately S\$74.4 million in FY2017. The decrease in revenue was mainly due to substantial completion of certain projects in FY2016, resulting in lower revenue recognised in FY2017 since several projects were nearing completion. These projects include, among others, revenue from construction works relating to alteration and addition works, new building works and home improvement program works.

Gross profit decreased by approximately S\$2.4 million or 26.3% from approximately S\$9.1 million in FY2016 to approximately S\$6.7 million in FY2017. However, the gross profit margin increased by 2.9 percentage points to 9.0% in FY2017 due to recognition of certain variation orders relating to new building and design and build of upgrading works.

##### Precast manufacturing

Total revenue for precast manufacturing revenue decreased by approximately S\$1.0 million, from S\$4.5 million in FY2016 to S\$3.5 million in FY2017. The decrease in revenue was mainly due to lower selling price due to market competition.

Gross loss of approximately S\$0.1 million was recorded for FY2017 compared to a gross profit of approximately S\$1.0 million in FY2016. The reversal from a gross profit to gross loss position was mainly attributable to higher material usage and production overheads than anticipated.

##### Soil investigation

No revenue was recorded for Soil investigation in FY2017. In FY2016, Soil investigation recorded maiden revenue of contribution of approximately S\$0.7 million, of which approximately 86.4% of this revenue was derived from third parties and 13.6% was derived within the Group.

17 **A breakdown of sales as follows:**

	<b>Group</b>		
	<b>FY2017</b>	<b>FY2016</b>	<b>Change</b>
	S\$'000	S\$'000	%
<u>Sales reported for:</u>			
The first half year	42,545	81,687	(47.9)
The second half year	30,342	66,368	(54.3)
	<b>72,887</b>	<b>148,055</b>	<b>(50.8)</b>
<u>Operating profit / (loss) after tax before deducting minority interests reported for:</u>			
The first half year	376	1,442	(73.9)
The second half year	(1,689)	521	(424.2)
	<b>(1,313)</b>	<b>1,963</b>	<b>(166.9)</b>

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

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

	<b>Latest full year</b>	<b>Previous full year</b>
	(S\$'000)	(S\$'000)
<b>Ordinary</b>	-	680
<b>Preference</b>	-	-
<b>Total</b>	-	680

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

Name	Age	Family relationship with any director, CEO and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Loy Yan Ru	32	Niece of Phua Lam Soon, the Chief Executive of the Company and Ong Siew Eng, an Executive Director of the Company.	Administration and Human Resource Manager since May 2009. Oversees the Group's human resource management and administrative matters including recruitment, staff remuneration and staff insurance matters. In addition, she is also involved in dealing with feedback from the public in relation to certain upgrading and home improvement projects undertaken by the Group.	Not applicable

**BY ORDER OF THE BOARD**

Phua Lam Soon  
Chief Executive Officer

29 August 2017