



KOH BROTHERS GROUP LIMITED
(Company Registration No. 199400775D)

Unaudited Fourth Quarter and 12 Months Financial Statement And Dividend Announcement for the Period Ended 31 December 2015

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

1(a) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	GROUP					
		3 months ended		Change	12 months ended		Change
		31/12/2015	31/12/2014		31/12/2015	31/12/2014	
		S\$'000	S\$'000	%	S\$'000	S\$'000	%
Sales	1	112,281	102,295	10%	427,320	395,145	8%
Cost of sales		(100,542)	(87,596)	15%	(372,388)	(332,852)	12%
Gross profit		11,739	14,699	-20%	54,932	62,293	-12%
Other income	2	738	124	495%	3,468	1,985	75%
Other gains, net		781	1,133	-31%	1,525	7,483	-80%
Expenses							
- Distribution		192	(69)	N.M.	(3,341)	(4,291)	-22%
- Administrative		(7,807)	(4,814)	62%	(22,540)	(23,408)	-4%
- Other		(4,769)	(109)	4275%	(4,996)	(1,812)	176%
- Finance		(1,262)	(1,937)	-35%	(5,671)	(3,025)	87%
Share of (loss)/profit (net of tax) of:							
- associated companies		(7)	62	N.M.	200	292	-32%
- joint ventures		10,070	(2,471)	N.M.	13,066	(5,711)	N.M.
Profit before income tax	3	9,675	6,618	46%	36,643	33,806	8%
Income tax expense	4	(2,663)	(770)	246%	(7,230)	(5,145)	41%
Profit after income tax		7,012	5,848	20%	29,413	28,661	3%
Other comprehensive income/(loss), net of tax:							
Exchange differences on translating foreign operations		394	(596)	N.M.	(1,878)	(612)	207%
Fair value gain/(loss) on available-for-sale financial assets		76	(256)	N.M.	(35)	(310)	-89%
Other comprehensive profit/(loss), net of tax		470	(852)	N.M.	(1,913)	(922)	108%
Total comprehensive income		7,482	4,996	50%	27,500	27,739	-1%
Profit attributable to:							
Equity holders of the Company		7,570	6,196	22%	27,878	29,529	-6%
Non-controlling interests		(558)	(348)	60%	1,535	(868)	N.M.
		7,012	5,848	20%	29,413	28,661	3%
Total comprehensive income attributable to:							
Equity holders of the Company		7,732	5,727	35%	27,368	28,897	-5%
Non-controlling interests		(250)	(731)	-66%	132	(1,158)	N.M.
		7,482	4,996	50%	27,500	27,739	-1%

N.M. - Not meaningful

Notes to the Consolidated Statement of Comprehensive Income

Note 1

Sales include the following :

Sales of products
Services rendered
Property development and rental
Contract revenue

Note 2

Other income include the following :

Rental income
Interest income
Dividend income
Others

Note 3

Other gains include the following :

Gain on disposal of property, plant and equipment
Gain on disposal of subsidiaries
Fair value (loss)/gain on financial assets and financial liabilities
Fair value gain/(loss) on investment properties
Fair value gain on financial assets through profit or loss
Net foreign exchange (loss)/gain

Note 3

Profit before income tax is stated after charging the following items:
(Write-back of allowance for)/Allowance for impairment on trade and non-trade receivables

Allowance for impairment of loan to joint ventures

Depreciation of property, plant and equipment

Note 4

Income tax includes the following :

Current income tax

- in respect of current period
- (over)/under provision in respect of prior period

Deferred income tax

- in respect of current period
- over provision in respect of prior period

GROUP			
3 months ended		12 months ended	
31/12/2015	31/12/2014	31/12/2015	31/12/2014
S\$'000	S\$'000	S\$'000	S\$'000
32,317	26,483	116,360	126,600
944	1,251	5,781	5,293
25,337	30,586	138,386	132,998
53,683	43,975	166,793	130,254
112,281	102,295	427,320	395,145
106	114	424	409
646	17	2,740	1,347
2	6	2	6
(16)	(13)	302	223
738	124	3,468	1,985
14	45	164	116
50	1,358	50	1,358
(119)	(48)	(219)	373
500	(394)	500	5,706
827	649	604	649
(491)	(477)	426	(719)
781	1,133	1,525	7,483
(1,221)	(702)	717	3,353
4,700	1,528	4,700	1,528
1,708	1,489	6,843	5,609
8,642	1,440	10,840	2,840
(565)	(1,081)	519	(1,746)
(5,897)	262	(3,649)	3,987
483	149	(480)	64
2,663	770	7,230	5,145

The Group's current income tax charge for the financial year ended 31 December 2015 is higher than that determined by applying the Singapore income tax rate of 17% to the Group's profit before income tax mainly due to higher income tax rate for foreign subsidiaries.

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

As at 31/12/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
96,963	14,744	33,375	23,588
60,239	51,861	140,222	50,556

Amount repayable in one year or less, or on demand

Amount repayable after one year

Details of any collateral

The Group's secured borrowings are secured by the Group's properties, plant and machinery, motor vehicles and fixed deposits.

1(c) CONSOLIDATED CASH FLOW STATEMENT

CASH FLOWS FROM OPERATING ACTIVITIES

Total profit

Adjustments for non-cash items :

Income tax

Depreciation of property, plant and equipment

Gain on disposal of subsidiaries

Property, plant and equipment written off

Fair value gain on investment properties

Gain on disposal of property, plant and equipment

Fair value loss/(gain) on long-term financial asset and financial liabilities

Fair value gain on financial assets at fair value through profit or loss

Dividend income

Share of profit from associated companies

Share of (profit)/loss from joint ventures

Interest expense

Interest income

Unrealised foreign exchange gain

Operating profit before working capital changes

Working capital changes :

- Receivables

- Inventories

- Due from/to customers on construction contracts

- Development properties

- Payables

- Due from associated companies

- Due from joint ventures

Cash used in operations

Income tax paid

Interest paid

Net cash generated from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment

Purchase of financial assets at fair value through profit or loss

Purchase of available-for-sale financial assets

Proceeds from disposal of property, plant and equipment

Proceeds from disposal of financial assets at fair value through profit or loss

Loan to joint venture companies

Additions to investment properties

Investment in a joint venture company

Dividend received

Interest received

Net cash used in investing activities

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from bank borrowings

Repayment of finance lease

Repayment of bank borrowings

Deposit pledge

Purchase of treasury shares

Payment of dividend

Net proceeds from issuance of notes

Net cash (used in)/generated from financing activities

12 months ended	
31/12/2015	31/12/2014
S\$'000	S\$'000
29,413	28,661
7,230	5,145
6,843	5,609
(50)	(1,358)
52	444
(500)	(5,706)
(164)	(116)
219	(373)
(604)	(649)
(2)	(6)
(200)	(292)
(13,066)	5,711
5,671	3,025
(2,740)	(1,347)
(202)	(311)
31,900	38,437
(142,574)	3,523
4,438	(3,265)
(13,890)	(15,204)
138,004	(3,499)
18,300	5,343
156	29
14,454	2,452
50,788	27,816
(3,955)	(1,555)
(7,600)	(3,312)
39,233	22,949
(25,252)	(5,610)
(5,086)	(1,975)
-	(8,290)
266	334
8,428	-
-	(36,763)
(1,036)	(1,717)
-	(800)
2	6
2,740	1,347
(19,938)	(53,468)
55,905	112,265
(4,288)	(3,596)
(77,913)	(77,724)
1,933	42
(2,525)	(7,266)
(3,327)	(3,082)
-	49,432
(30,215)	70,071

1(c) CONSOLIDATED CASH FLOW STATEMENT (CONTINUED)

NET CHANGE IN CASH AND CASH EQUIVALENTS
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD
EFFECTS OF CURRENCY TRANSLATION ON CASH AND CASH EQUIVALENTS
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD

12 months ended	
31/12/2015 S\$'000	31/12/2014 S\$'000
(10,920)	39,552
73,699	34,021
(13)	126
62,766	73,699

Represented by :

CASH AND CASH EQUIVALENTS

Cash and bank balances

Restricted cash

64,465	77,331
(1,699)	(3,632)
62,766	73,699

1(d)(i) STATEMENT OF CHANGES IN EQUITY FOR THE GROUP AND THE COMPANY

GROUP (S\$'000)	Attributable to equity holders of the Group						NON-CONTROLLING INTEREST	TOTAL EQUITY
	Share Capital	Treasury Shares	Capital and Other Reserves	Retained Profits	Currency Translation Reserve	TOTAL		
Balance as at 01/01/2015	45,320	(13,061)	(406)	211,365	(7,529)	235,689	9,246	244,935
Profit for the financial period	-	-	-	27,878	-	27,878	1,535	29,413
Other comprehensive loss for the period	-	-	(35)	-	(475)	(510)	(1,403)	(1,913)
Cancellation of shares held in treasury shares	(2,667)	2,667	-	-	-	-	-	-
Purchase of treasury shares	-	(2,525)	-	-	-	(2,525)	-	(2,525)
Final dividend	-	-	-	(3,327)	-	(3,327)	-	(3,327)
Balance as at 31/12/2015	42,653	(12,919)	(441)	235,916	(8,004)	257,205	9,378	266,583
Balance as at 01/01/2014	45,320	(5,795)	(375)	184,918	(5,570)	218,498	10,404	228,902
Profit/(loss) for the financial year	-	-	-	29,529	-	29,529	(868)	28,661
Other comprehensive loss for the year	-	-	(310)	-	(322)	(632)	(290)	(922)
Gain on liquidation of a subsidiary	-	-	279	-	(1,637)	(1,358)	-	(1,358)
Purchase of treasury shares	-	(7,266)	-	-	-	(7,266)	-	(7,266)
Final dividend	-	-	-	(3,082)	-	(3,082)	-	(3,082)
Balance as at 31/12/2014	45,320	(13,061)	(406)	211,365	(7,529)	235,689	9,246	244,935

COMPANY (S\$'000)	Attributable to equity holders of the Company			
	Share Capital	Treasury Shares	Retained Profits	TOTAL
Balance as at 01/01/2015	45,320	(13,061)	57,780	90,039
Total comprehensive income for the period	-	-	5,082	5,082
Cancellation of shares held in treasury shares	(2,667)	2,667	-	-
Purchase of treasury shares	-	(2,525)	-	(2,525)
Final dividend	-	-	(3,327)	(3,327)
Balance as at 31/12/2015	42,653	(12,919)	59,535	89,269
Balance as at 01/01/2014	45,320	(5,795)	51,724	91,249
Total comprehensive income for the period	-	-	9,138	9,138
Purchase of treasury shares	-	(7,266)	-	(7,266)
Final dividend	-	-	(3,082)	(3,082)
Balance as at 31/12/2014	45,320	(13,061)	57,780	90,039

- 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.

Total number of issued shares
Less: Cancellation of shares held in treasury
End of financial period

No. of shares	
31/12/2015	31/12/2014
466,475,400	466,475,400
(10,000,000)	-
456,475,400	466,475,400

- 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.

Total number of issued shares excluding treasury shares

No. of shares	
31/12/2015	31/12/2014
414,980,000	422,887,400

- 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.

Beginning of financial period
Purchase of treasury shares
Cancellation of shares held in treasury
End of financial period

No. of shares
12 months ended 31/12/2015
43,588,000
7,907,400
(10,000,000)
41,495,400

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

The figures have neither been audited nor reviewed.

- 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 financial statements for the current reporting period compared with the audited financial statements as at 31 December 2014 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 2015. 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 any provision for preference dividends:

- (i) Basic
(ii) On a fully diluted basis

GROUP			
3 months ended		12 months ended	
31/12/2015 (cents)	31/12/2014 (cents)	31/12/2015 (cents)	31/12/2014 (cents)
1.82	1.42	6.69	6.76
1.82	1.42	6.69	6.76

Note:

Basic earnings 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 416,757,753 ordinary shares (31 December 2014: 437,071,296 ordinary shares).

- 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	
31/12/2015 (cents)	31/12/2014 (cents)	31/12/2015 (cents)	31/12/2014 (cents)
61.98	55.73	21.51	21.29

Net asset value backing per ordinary share based on existing issued share capital (excluding treasury shares) as at the end of the period reported on

Note:

The net asset value per share is calculated based on the issued share capital excluding treasury shares of 414,980,000 ordinary shares as at 31 December 2015 (31 December 2014: 422,887,400 ordinary shares).

- 8 A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. The review must discuss any significant factors, including (where applicable) seasonal or cyclical factors. It must also discuss 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 Group performance

For the 3-month period ended 31 December 2015 ("4Q 2015"), sales rose 10% to S\$112.28 million from S\$102.30 million in the corresponding period last year ("4Q 2014"). The increase in sales was mainly contributed by the Construction and Building Materials divisions. However, the Group's gross profit decreased 20% to S\$11.74 million in 4Q 2015 from S\$14.70 in 4Q 2014 primarily due to lower gross profit margins.

The Group's other income increased to S\$0.74 million in 4Q 2015 from S\$0.12 million in 4Q 2014 mainly due to increase in interest income. Other gains decreased from S\$1.13 million in 4Q 2014 to S\$0.78 million in 4Q 2015 because of a gain on disposal of a subsidiary a year ago, partially offset by net fair value on investment properties in the current period. Administrative expenses increased to S\$7.81 million in 4Q 2015 from S\$4.81 million in 4Q 2014 mainly due to absence of write-back of over-provision made in the previous year. Other expenses increased from S\$0.11 million in 4Q 2014 to S\$4.77 million in 4Q 2015 mainly due to allowance for impairment of loan to joint ventures of S\$4.70 million. Finance expenses decreased from S\$1.94 million in 4Q 2014 to S\$1.26 million in 4Q 2015 mainly due to repayment of bank borrowings. Depreciation expenses increased from S\$1.49 million in 4Q 2014 to S\$1.71 million in 4Q 2015. The increase was primarily due to increase in depreciable assets.

Share of results of joint venture companies recorded a profit of S\$10.07 million in 4Q 2015. This was mainly due to fair value gain on an investment property after the completion of its asset enhancement.

The Group's profit before income tax increased 46% to S\$9.68 million in 4Q 2015 from S\$6.62 million in 4Q 2014 mainly generated from the Real Estate division. The Group's net profit attributable to shareholders increase 22% to S\$7.57 million in 4Q 2015 from S\$6.20 million in 4Q 2014.

The Group's sales for the year ended 31 December 2015 ("12M 2015") increased 8% to S\$427.32 million, compared to S\$395.15 million for the corresponding year ended 31 December 2014 ("12M 2014"). The increase was primarily resulted from higher revenue from the Real Estate and Construction and Building Materials divisions. The gross profit for 12M 2015 decreased by 12% to S\$54.93 million due to reduction in gross profit margins from the Real Estate and Construction and Building Materials divisions.

Other income increased from S\$1.99 million in 12M 2014 to S\$3.47 million mainly due to an increase in interest income. Other gains decreased from S\$7.49 million in 12M 2014 to S\$1.53 million in 12M 2015. This was mainly due to net gain of S\$5.71 million in the fair value of investment properties a year ago compared to S\$0.5 million in the current year. Distribution expenses decreased to S\$3.34 million in 12M 2015 from S\$4.30 million in 12M 2014 primarily resulting from reduction in allowance made for impairment on trade receivables. Other expenses increased from S\$1.81 million in 12M 2014 to S\$5.00 million in 12M 2015 mainly due to allowance for impairment of loan to joint ventures. Finance expenses increased to S\$5.67 million in 12M 2015 from S\$3.03 million in 12M 2014 mainly due to interest expenses from Notes issued in early July 2014 and additional bank borrowings. Depreciation expenses increased from S\$5.61 million in 12M 2014 to S\$6.84 million in 12M 2015. The increase was primarily due to increase in depreciable assets.

Share of results of joint venture companies recorded a profit of S\$13.07 million in 12M 2015 compared to a loss of S\$5.71 million in 12M 2014. This was mainly due to fair value gain from an investment property offset by initial setup cost for a residential project in 12M 2015.

The Group's profit before income tax increased from S\$33.81 million in 12M 2014 to S\$36.64 million in 12M 2015 mainly due to higher profit generated from the Real Estate division. The Group's net profit attributable to shareholders decreased from S\$29.53 million in 12M 2014 to S\$27.88 million in 12M 2015.

Earnings per share decreased slightly to 6.69 cents in 12M 2015 compared to 6.76 cents in 12M 2014.

Review of changes in working capital, assets and liabilities

The movements in assets and liabilities are as follows:

- 1) Decrease in cash and cash equivalents was mainly due to purchase of property, plant and equipment.
- 2) Decrease in financial assets at fair value through profit or loss was mainly due to the disposal of the investment during the year.
- 3) Increase in trade receivables was mainly due to progress billings to customer upon TOP for a residential project.
- 4) Increase in amount due from customers on construction contracts was mainly due to construction work-in-progress in excess of progress billings.
- 5) Increase in amount due from joint ventures was mainly due to increase in trade debts between the joint ventures and the Group.
- 6) Decrease in inventories was mainly due to lower inventory levels held by the Building Materials division.
- 7) Decrease in development properties was mainly due to the cost recognition for the residential project which obtained TOP in December 2015.

- 8) Non-current assets increased by S\$24.26 million was mainly due to purchase of property, plant and equipment and share of joint ventures' profits during the year.
- 9) Current liabilities increased by S\$90.98 million. This was primarily due to increase in short-term borrowings of S\$54.74 million, other liabilities of S\$14.17 million, due to joint ventures of S\$15.51 million and current income tax liabilities of S\$7.81 million.
- 10) Non-current liabilities decreased by S\$83.62 million mainly due to reclassification of bank borrowings from long-term to short-term.

Review of changes in cashflow

The Group reported a net decrease in cash and cash equivalents mainly due to the usage of funds to purchase property, plant and equipment and net cash used in 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 September 2015.

- 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.

According to advance estimates by the Ministry of Trade and Industry, the Singapore economy grew by 2.1% in 2015 compared to 2.9% in 2014. The construction sector grew by 1.1% in 2015, much lower than the 3.0% recorded in the previous year. The total construction demand was approximately \$27.2 billion in 2015 with public sector projects accounting for more than half of the demand. The total demand fell short of earlier estimates of between \$29 billion and \$36 billion by the Building and Construction Authority (BCA). For 2016, BCA expects construction demand to be between \$32 billion and \$34 billion with increased demand for civil engineering projects. Being an established civil engineering contractor, we are cautiously optimistic. The construction industry is still challenging because of competition and a tight labour market.

Latest statistics from the Urban Redevelopment Authority showed that prices of private residential properties declined by 3.7% in 2015 compared to 4.0% in 2014. Although the rate of decline seems to be lower, it has been a challenging year for the real estate industry. Without any change to the various property cooling measures, we expect prices in the residential property market to further moderate.

- 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	(1) Special (2) Final
Dividend Type	Cash
Dividend Amount per Share	(1) Special: 0.30 cent per ordinary share (2) Final: 0.50 cent per ordinary share
Dividend Rates (in %)	NA
Par value 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? Yes

Name of Dividend	(1) Special (2) Final
Dividend Type	Cash
Dividend Amount per Share	(1) Special: 0.30 cent per ordinary share (2) Final: 0.50 cent per ordinary share
Dividend Rates (in %)	NA
Par value of shares	NA
Tax rate	Tax exempt (One-tier)

- (c) Date payable

The proposed dividend, if approved by the shareholders at the forthcoming AGM, will be paid on 16 June 2016.

- (d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed 31 May 2016 for the preparation of dividend warrants. Registrable Transfer received by the Company up to 5:00pm on 30 May 2016 will be registered to determine shareholders' entitlements to the final dividend.

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

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

- 13 Segmented revenue and results for business or geographical 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.

	REAL ESTATE	LEISURE & HOSPITALITY	CONSTRUCTION & BUILDING MATERIALS	OTHERS	TOTAL
GROUP (\$'000)					
2015					
SALES					
External	140,616	3,550	283,154	-	427,320
Inter-segment	1,579	117	56,796	-	58,492
	142,195	3,667	339,950	-	485,812
Elimination					(58,492)
					427,320
RESULTS					
Segment results	15,540	35	10,408	(344)	25,639
Net investment gain	-	-	669	-	669
Interest income					2,740
Finance expenses					(5,671)
Share of profit/(loss) from:					
-associates	-	-	200	-	200
-joint ventures	13,066	-	-	-	13,066
Profit before income tax					36,643
2014					
SALES					
External	134,999	3,293	256,853	-	395,145
Inter-segment	1,498	6	45,542	-	47,046
	136,497	3,299	302,395	-	442,191
Elimination					(47,046)
					395,145
RESULTS					
Segment results	27,228	(647)	13,758	(804)	39,535
Net investment gain	2	-	8	1,358	1,368
Interest income					1,347
Finance expenses					(3,025)
Share of profit from:					
-associates	-	-	292	-	292
-joint ventures	(5,711)	-	-	-	(5,711)
Profit before income tax					33,806

Sales by Geographical Segment (\$'000):

	2015	2014
Singapore	387,073	345,431
China	4,312	8,123
Malaysia	18,371	27,702
Indonesia	6,313	3,667
Others **	11,251	10,222
	427,320	395,145

**Including Thailand, South America, India and Africa.

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

By Business Segment

Total sales increased by S\$32.18 million in FY2015 as compared to FY2014. This was mainly due to higher revenue contributed from the Construction & Building Materials division which resulted from higher revenue recognition from on-going and new construction projects. The results from this division was however lower in FY2015 because of lower margins from projects.

Results from the Real Estate division was lower in FY2015 as compared to FY2014 because of additional allowance for impairment of loan to joint ventures by S\$3.17 million and decrease in fair value gain on investment properties by S\$5.21 million.

By Geographical Segment

The sales contributed by Singapore increased by S\$41.64 million in FY2015 mainly due to increase in sales from the Real Estate and Construction business.

The sales contributed by China decreased by S\$3.81 million in FY2015 in line with a more depressed market there.

The sales contributed by Malaysia decreased by S\$9.33 million in FY2015 mainly due to lower percentage of construction revenue recognition as well as deterioration in the exchange rate.

The sales contributed by Indonesia increased by S\$2.65 million in FY2015 mainly due to higher percentage of construction revenue.

15 A breakdown of sales.

S\$'000

Sales reported for first half year

Profit after income tax before deducting non-controlling interests reported for first half year

Sales reported for second half year

Profit after income tax before deducting non-controlling interests reported for second half year

2015	2014	Change
221,959	183,234	21%
19,415	15,896	22%
205,361	211,911	-3%
9,998	12,765	-22%

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

	S\$'000	
	31/12/2015	31/12/2014
Ordinary-Proposed final	3,327	3,082

17 Interested Person Transaction

Name of Interested Person	Aggregate value of all interested person transactions during the financial period 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
Koh Keng Siang	241	-
Koh Keng Hiong	219	-

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

- 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 substantial shareholders of the issuer pursuant to Rule 704(11) 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 held	Details of changes in duties and position held, if any, during the year
Phua Siew Gaik	50	Spouse of Mr Koh Keng Siang, daughter-in-law of Mr Koh Tiat Meng and Mdm Quek Chee Nee, and sister-in-law of Mr Koh Keng Hiong	Senior Group Human Resources/Administration Manager since 2015. Responsible for managing the Group's human resources and administration function.	Nil
Erliana Sutadi	46	Spouse of Mr Koh Keng Hiong, daughter-in-law of Mr Koh Tiat Meng and Mdm Quek Chee Nee, and sister-in-law of Mr Koh Keng Siang	Office Manager, Oxford Hotel, since 2000. Responsible for office administration.	Nil
Koh Keng Seng	52	Nephew of Mr Koh Tiat Meng and Mr Koh Teak Huat and cousin of Mr Koh Keng Siang and Mr Koh Keng Hiong	Executive Director, Construction division, since 2008. Responsible for management of logistics, workshop, machinery and equipment functions under the Construction division.	Nil
Tay Juak Chiang	42	Nephew of Mr Koh Tiat Meng and Mr Koh Teak Huat and cousin of Mr Koh Keng Siang and Mr Koh Keng Hiong	Senior Manager, Steel division, since 2012. Responsible for steel fabrication division.	Nil
Phua Eng Hong	53	Brother-in-law of Mr Koh Keng Siang	Director of Dalian Megacity Trading Co., Ltd, since 2008. No executive duties.	Nil
Koh Kheng Yeow	49	Nephew of Mr Koh Tiat Meng and Mr Koh Teak Huat and cousin of Mr Koh Keng Siang and Mr Koh Keng Hiong	Director of Dalian Megacity Trading Co., Ltd, since 2008. No executive duties.	Nil

BY ORDER OF THE BOARD

Koh Keng Siang
Managing Director & Group CEO

17 February 2016
Singapore