



HEETON HOLDINGS LIMITED
Co. Reg. No. 197601387M

FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR YEAR ENDED 31 DECEMBER 2015

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

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

UNAUDITED RESULTS FOR FULL YEAR ENDED 31 DECEMBER 2015

	Group		
	Year Ended 31 December		
	2015 S\$'000	2014 S\$'000	Increase / (Decrease) %
Revenue	34,294	36,318	(5.6)
Cost of properties sold	(10,001)	(19,837)	(49.6)
Other operating income	3,008	3,151	(4.5)
Personnel expenses	(6,087)	(4,347)	40.0
Depreciation of fixed assets	(506)	(218)	132.1
Other operating expenses	(11,785)	(9,111)	29.3
Profit from operations	8,923	5,956	49.8
Finance expenses	(16,286)	(11,236)	44.9
Finance income	5,881	4,972	18.3
Share of profits of associated companies/joint venture companies	34,615	11,792	193.5
Gain from fair value adjustment of investment properties	600	3,400	(82.4)
Provision for foreseeable losses on development property	(29,080)	(5,000)	481.6
Profit before tax from operations	4,653	9,884	(52.9)
Income tax expense	(43)	(1,114)	(96.1)
Profit for the year, net of tax	4,610	8,770	(47.4)
Other comprehensive income:			
<u>Items that may be reclassified subsequently to profit or loss:</u>			
Foreign currency translation	626	(793)	(178.9)
Total comprehensive income for the year	5,236	7,977	(34.4)
Profit attributable to:			
Owners of the Company	5,651	9,455	(40.2)
Non-controlling interests	(1,041)	(685)	52.0
	4,610	8,770	(47.4)
Total comprehensive income attributable to:			
Owners of the Company	6,476	8,662	(25.2)
Non-controlling interests	(1,240)	(685)	81.0
	5,236	7,977	(34.4)

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

UNAUDITED BALANCE SHEETS

	Group		Company	
	31/12/2015 \$'000	31/12/2014 \$'000	31/12/2015 \$'000	31/12/2014 \$'000
Non-Current Assets				
Fixed assets	105,242	68,291	95	161
Investment properties	173,980	172,333	-	-
Subsidiaries	-	-	25,583	25,606
Associated companies	64,689	44,022	-	-
Joint venture companies	64,091	50,330	5,000	5,000
Amounts due from associated companies, joint venture companies and investee companies	149,076	175,327	-	-
Other investments	218	218	-	-
Intangible assets	109	109	-	-
	557,405	510,630	30,678	30,767
Current assets				
Development properties	198,765	210,694	75,695	73,679
Trade receivables	538	159	120	-
Other receivables	7,275	8,670	8	3
Prepayments	2,620	574	26	19
Amounts due from subsidiaries (non-trade)	-	-	218,035	219,002
Amounts due from related parties (trade)	12	37	-	-
Amounts due from joint venture company (non-trade)	606	1,293	536	1,293
Amounts due from joint venture company (trade)	341	-	-	-
Fixed deposits	6,099	20,036	5,934	19,221
Cash and bank balances	16,227	19,485	4,155	13,344
	232,483	260,948	304,509	326,561
Current Liabilities				
Trade payables	8,046	5,944	2,112	1,272
Other payables and accruals	4,856	5,135	1,444	2,032
Amounts due to subsidiaries (non-trade)	-	-	35,981	29,729
Lease obligations	-	20	-	-
Bond	-	75,000	-	75,000
Short-term bank loans	4,000	-	4,000	-
Bank term loans	105,140	92,139	-	-
Income tax payable	935	1,407	728	-
	122,977	179,645	44,265	108,033
Net current assets	109,506	81,303	260,244	218,528
Non-current liabilities				
Other payables and accruals	1,150	1,025	-	-
Amounts due to associated companies and joint venture companies (non-trade)	38,273	36,079	15,508	-
Amounts due to non-controlling interests (non-trade)	46,801	-	-	-
Bond	60,000	60,000	60,000	60,000
Bank term loans	179,371	167,923	58,745	60,995
Deferred tax liabilities	499	159	545	159
	(326,094)	(265,186)	(134,798)	(121,154)
Net assets	340,817	326,747	156,124	128,141
Share capital and reserves				
Share capital	86,624	58,803	86,624	58,803
Translation reserve	(215)	(1,040)	-	-
Retained earnings	253,236	249,197	69,500	69,338
	339,645	306,960	156,124	128,141
Non-controlling interests	1,172	19,787	-	-
Total equity	340,817	326,747	156,124	128,141

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

Amount repayable in one year or less, or on demand

As at 31/12/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
105,140	4,000	92,159	75,000

Amount repayable after one year

As at 31/12/2015		As at 31/12/2014	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
179,371	60,000	167,923	60,000

Details of any collateral

All secured borrowings of the Group are secured by first legal mortgages and assignment of rental and sales proceeds of the investment properties and development properties of the borrowing companies. Lease obligations are secured on the assets purchased under lease financing.

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

UNAUDITED FULL YEAR ENDED CASH FLOW STATEMENTS

	Group	
	YTD 2015 \$'000	YTD 2014 \$'000
Cash flows generated from operating activities		
Profit before tax	4,653	9,884
Adjustments for:		
Depreciation of fixed assets	506	218
Loss on disposal of fixed assets	874	-
Loss in fair value of derivative financial instrument	23	-
Gain from fair value adjustment of investment properties	(600)	(3,400)
Share of profits of associated companies/joint venture companies	(34,615)	(11,792)
Interest expense	16,286	11,236
Interest income	(5,881)	(4,972)
Provision for foreseeable losses on development property	29,080	5,000
Unrealised exchange differences	1,182	(462)
Operating cash flows before changes in working capital	11,508	5,712
(Increase) Decrease in development properties	(17,151)	8,567
(Increase) Decrease in trade receivables	(379)	128
Decrease (Increase) in other receivables	1,395	(2,631)
(Increase) Decrease in prepayments	(2,046)	261
Increase (Decrease) in trade payables	2,102	(766)
(Decrease) Increase in other payables and accruals	(177)	472
Increase (Decrease) in amounts due from related parties, net	25	(24)
Cash flows (used in) generated from operations	(4,723)	11,719
Interest received	5,881	4,972
Interest paid, excluding amounts capitalised	(16,286)	(11,236)
Income taxes refunded (paid)	(129)	(907)
Net cash (used in) generated from operating activities	(15,257)	4,548

UNAUDITED FULL YEAR ENDED CASH FLOW STATEMENTS (CONT'D)

	Group	
	YTD 31 December 2015 \$'000	YTD 31 December 2014 \$'000
Cash flows generated from (used in) investing activities		
Purchase of fixed assets	(37,822)	(4,198)
Net cash outflow on investment in an associated company	-	(2,092)
Net cash outflow on investment in subsidiaries	-	(53,681)
Net cash outflow on acquisition of an investment property	-	(22,169)
Renovation of investment property	(599)	-
Loan to investee company	-	(5,825)
Net repayment from (Loan to and investment in) associated companies and joint venture companies	28,777	(23,965)
Proceeds from liquidation of an associated company	200	-
Net cash used in investing activities	<u>(9,444)</u>	<u>(111,930)</u>
Cash flows from financing activities		
Repayment of lease obligations, net	(20)	(46)
Proceeds from bank loans, net	27,982	35,505
(Repayment of bond) / Proceeds from bond issue	(75,000)	60,000
Loans from non-controlling interests	28,335	-
Dividends paid on ordinary shares of the Company	(1,612)	(4,835)
Proceeds from issuance of ordinary shares, net of share issue expense	27,821	-
Net cash from financing activities	<u>7,506</u>	<u>90,624</u>
Net decrease in cash and cash equivalents	<u>(17,195)</u>	<u>(16,758)</u>
Cash and cash equivalents at beginning of period	<u>39,521</u>	<u>56,279</u>
Cash and cash equivalents at end of period	<u>22,326</u>	<u>39,521</u>

Note: Cash and cash equivalents

	Group	
	YTD 2015 \$'000	YTD 2014 \$'000
Fixed deposits	6,099	20,036
Cash and bank balances	16,227	19,485
Cash and cash equivalents	<u>22,326</u>	<u>39,521</u>

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

UNAUDITED STATEMENT OF CHANGES IN EQUITY

Group	Attributable to equity holders of the Company					Non-controlling Interests S\$'000	Total Equity S\$'000
	Share Capital S\$'000	Translation Reserve S\$'000	Retained Earnings S\$'000	Total S\$'000			
Balance at 1 January 2014	58,803	(247)	244,577	303,133	(4)		303,129
Total comprehensive income for the year	-	(793)	9,455	8,662	(685)		7,977
Dividends	-	-	(4,835)	(4,835)	-		(4,835)
Investment in new subsidiaries	-	-	-	-	20,476		20,476
Balance at 31 December 2014	58,803	(1,040)	249,197	306,960	19,787		326,747
Balance at 1 January 2015	58,803	(1,040)	249,197	306,960	19,787		326,747
Issuance of ordinary shares	27,821	-	-	27,821	-		27,821
Total comprehensive income for the year	-	825	5,651	6,476	(1,240)		5,236
Dividends	-	-	(1,612)	(1,612)	-		(1,612)
Return of capital contribution to non-controlling interests	-	-	-	-	(17,375)		(17,375)
Balance at 31 December 2015	86,624	(215)	253,236	339,645	1,172		340,817

Previously an amount of \$8,596,000 was classified as Shareholders' contribution, a separate component within the Group's equity. This amount is now reclassified as part of Retained Earnings.

Company	Share Capital S\$'000	Retained Earnings S\$'000	Total Equity S\$'000
Balance at 1 January 2014	58,803	73,044	131,847
Total comprehensive income for the year	-	1,129	1,129
Dividends	-	(4,835)	(4,835)
Balance at 31 December 2014	58,803	69,338	128,141
Balance at 1 January 2015	58,803	69,338	128,141
Total comprehensive income for the year	-	1,774	1,774
Dividends	-	(1,612)	(1,612)
Issuance of ordinary shares	27,821	-	27,821
Balance at 31 December 2015	86,624	69,500	156,124

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

The Company issued a total of 56,541,298 new ordinary shares in the capital of the Company during the year ended 31 December 2015 pursuant to the rights issuance exercise.

There are 44,725,994 outstanding share warrants as at 31 December 2014 which entitle the holders to subscribe for new ordinary shares at the exercise price of S\$0.70 each. These share warrants have expired on 3 September 2015. As at 31 December 2015, there are no share warrants outstanding.

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 immediate preceding year

The Company did not hold any treasury shares as at 31 December 2015 and 31 December 2014.

The Company has a total of 325,156,492 issued shares as at 31 December 2015 and 268,615,194 issued shares as at 31 December 2014.

The Company did not issue any preference shares as at 31 December 2015 and 31 December 2014.

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

There were no sales, transfers, disposal, cancellation and/or use of treasury shares during the year ended 31 December 2015.

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

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

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

Not applicable.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the year ended 31 December 2014 as well as applicable Financial Reporting Standards (FRS) which became effective for financial years beginning on or after 1 January 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

Not applicable

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

EARNINGS PER SHARE

	Group		
	YTD 2015 Cents	YTD 2014 Cents	Decrease %
Earnings per ordinary share from continuing operations attributable to equity holders of the Company for the year			
(a) On a basic basis	1.96	3.43	(42.8)
(b) On a fully diluted basis	1.96	3.43	(42.8)

Earnings per share for FY2015 was computed based on the adjusted weighted average of 288,149,684 ordinary shares in issue during the year. Earnings per share for FY2014 have been computed based on the adjusted weighted average of 275,814,081 ordinary shares in issue during the year. The adjusted weighted average number of shares resulted from the rights issue on 23 October 2015.

**7 Net asset value (for the issuer and group) per ordinary share based on issued share capital of the issuer at the end of the:-
(a) current 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
Net asset value per ordinary share based on issued share capital at the end of the period reported on	104.82	114.28	48.02	47.70

The above have been computed based on 325,156,492 ordinary shares in issue as at 31 December 2015 and 268,615,194 shares in issue as at 31 December 2014.

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

Commentary on the Consolidated Income Statements

Revenue comprises management fee, rental income from investment properties and hotel operations as well as proceeds from the sales of the Group's residential projects.

The Group's revenue for the year ended 31 December 2015 ("FY2015") decreased by 5.6% to \$34.29 million compared to \$36.32 million for the previous year ended 31 December 2014 ("FY2014"). Revenue from residential projects fell \$10.81 million during FY2015 as the overseas project 'The Earlington' was substantially completed and recognised during the 2014 financial year. Revenue from investment properties and hotel operations in FY2015 increased by \$7.26 million mainly due to newly acquired properties, Adam House and Hotel ibis Styles London Kensington in London which commenced operations in 4Q2014.

Cost of properties sold in FY2015 decreased by 49.6% over FY2014 as a result lower revenue contribution from residential projects.

Personnel expenses increased by 40.0% to \$6.09 million in FY2015 as a result of increases in headcount following the commencement of full operations in Adam House and Hotel ibis Styles London Kensington in London.

Other operating expenses increased by 29.3% to \$11.78 million in FY2015. This was mainly due to (i) absence of significant expenses which were recorded in FY2014 - sales and marketing expenses of \$2.31 million for residential projects, Onze@Tanjong Pagar and Earlington and expenses of \$1.07 million incurred for the \$60.0 million bond issued in FY2014; (ii) additional operating expenses of approximately \$3.08 million incurred in FY2015 for newly acquired properties, Adam House and Hotel ibis Styles London Kensington and (iii) extension charges paid for a residential project of \$1.46 million in FY2015.

Finance expenses increased by 44.9% to \$16.29 million from \$11.24 million in FY2014. This was mainly due to higher bond interest expense as a result of the additional bond issue of 60.0 million in FY2014 as well as loan interest for the various properties acquired in the United Kingdom.

Finance income rose by 18.3% to \$5.88 million, mainly due to an increase in interest-bearing advances made to a associated companies in FY2015 as compared to FY2014.

Share of profits from associated companies and joint venture companies increased by 193.5% to \$34.62 million in FY2015. This was mainly attributed to higher progressive profit recognition from various residential projects as well as fair value gain of an investment property belonging to a joint venture.

The Group recorded a \$600,000 fair value gain during FY2015 from an investment property, as compared to \$3.40 million fair value gain during FY2014 for three investment properties.

The Group made a provision of \$29.08 million for foreseeable losses in a development property in FY2015.

Taking into account the above factors, the Group recorded a 47.4% decrease in net profit after tax to \$4.61 million in FY2015, compared to \$8.77 million recorded in FY2014.

Commentary on the Consolidated Balance Sheets

Fixed assets of \$105.24 million mainly comprised the freehold hotel properties (i) land site for hotel development in Brisbane, Australia; (ii) Hotel ibis Styles London Kensington in London, United Kingdom; and (iii) the newly acquired property at Glenthorne Road, London, United Kingdom of approximately \$31.32 million in 1Q2015.

The increase in associated companies and joint venture companies were due mainly to share of FY2015 results of associated companies and joint venture companies of \$34.62 million in FY2015.

The decrease in amounts due from associated companies and joint venture companies from \$175.33 million to \$149.08 million was mainly due to repayment of loans from an associated company and a joint venture company during FY2015.

Development properties decreased slightly from \$210.69 million to \$198.77 million. This was mainly due to provision made for foreseeable losses in one residential project of \$29.08 million offset by the acquisition of a development property at New York Road, Leeds, United Kingdom in 3Q2015 of approximately \$16.37 million.

Fixed deposits decreased from \$20.04 million to \$6.10 million mainly due to funds utilised for the acquisition of the properties at Glenthorne Road, London and New York Road, Leeds, both in United Kingdom.

Trade payables increased by \$2.10 million from \$5.94 million due to increase in account payables for development properties.

The \$75.00 million bond issued in November 2013 was redeemed in November 2015. The 3-year bond of \$60.00 million at coupon rate of 5.9% per annum was issued in June 2014 and will be payable in 2017.

Total bank term loans increased by \$28.45 million to \$288.51 million as at 31 December 2015 mainly as a result of loan drawdown relating to Adam House, Glenthorne Road, and New York Road, Leeds, in United Kingdom.

Amounts due to non-controlling interests of \$46.80 million represents loans from non-controlling interests for various overseas projects.

Commentary on the Cash Flow Statements

Cash and cash equivalents decreased by \$17.20 million in FY2015 because the following major cash outflows exceed cash inflows during the year:

Cash outflows:

- net cash outflow of \$37.82 million for the acquisition of fixed assets, mainly the property at Glenthorne Road in London;
- net cash used in operating activities of \$15.26 million mainly due to the increase in development properties of \$17.15 million;
- dividend payments made during the year of \$1.61 million; and
- repayment of bond in November 2015 of \$75.0 million.

Cash inflows:

- proceeds from bank loans of \$27.98 million;
- repayment of loan from associated companies and joint venture companies of \$28.78 million;
- additional loans from non-controlling interest of \$28.33 million; and
- shares proceeds from rights issue of additional 56,541,298 ordinary shares of \$27.82 million.

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

The actual results for the year ended 31 December 2015 of the Group are in line with the statement made in paragraph 10 of the results announcement for the third quarter and nine months 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 -

The Singapore property market is expected to remain subdued as the various property cooling measures are not likely to be removed in the short run. Additionally, the increase in interest rates of property loans will also have an impact on the demand as well as prices of the Singapore properties.

In the latest statistics released by URA on 22 January 2016, the prices of private residential properties continue to decline in 4Q2015. The prices decreased by 0.5%, compared to the 1.3% reduction in 3Q2015. For the whole of 2015, prices fell by 3.7%, compared with the 4.0% decline in 2014.

Although the short term market sentiments will continue to be weak, the Group is cautiously optimistic of the longer term prospects of the Singapore property market and will continue to seek suitable property development projects within the country.

In FY2015, the Group had been very focused on increasing its recurring income base through the addition of new investment assets, especially for its hospitality segment. These include Adam House - a serviced office building in London, a serviced apartment / hotel property at Glenthorne Road, London, United Kingdom as well as Hotel ibis Styles London Kensington. The operations of the hotels are being consolidated to ensure efficiency as they generate new revenue streams for the Group.

11 Dividend

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

Yes.

Name of Dividend	Final Ordinary Dividend
Dividend Type	Cash
Dividend Amount per Shares (in Cents)	0.60 cents per share (1-Tier tax exempt)
Tax Rate	Nil

(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	Final Ordinary Dividend
Dividend Type	Cash
Dividend Amount per Shares (in Cents)	0.60 cents per share (1-Tier tax exempt)
Tax Rate	Nil

(c) Date payable

To be announced at a later date.

(d) Books closure date

To be announced at a later date.

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 IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii)

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

14 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1)

The Company has obtained undertakings from all its directors and executive officers.

PART II ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15 Segmented revenue and results for business or geographical 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

Year ended 31 December 2015

	Property Investment \$'000	Property Development \$'000	Corporate \$'000	Hospitality \$'000	Elimination \$'000	Consolidated \$'000
Revenue:						
Sales to external customers	13,463	13,417	1,588	5,826	-	34,294
Intersegment revenue	3,345	-	3,326	-	(6,671)	-
Total revenue	16,808	13,417	4,914	5,826	(6,671)	34,294
Results:						
Interest income	-	-	33,179	-	(27,298)	5,881
Interest expense	(2,902)	(5,646)	(33,140)	(928)	26,330	(16,286)
Gain from fair value adjustment of investment properties	600	-	-	-	-	600
Depreciation of fixed assets	(116)	(55)	(51)	(284)	-	(506)
Share of results of associated companies/joint venture	20,399	14,098	5	113	-	34,615
Provision for foreseeable losses on development property	-	(29,080)	-	-	-	(29,080)
Segment profit / (loss)	30,864	(19,875)	(2,444)	(2,089)	(1,803)	4,653
Assets:						
Investment in associated companies and joint venture companies	65,751	48,856	-	14,173	-	128,780
Additions to non-current assets	1,254	-	262	38,546	-	40,062
Segment assets	268,368	381,872	564,248	141,684	(566,284)	789,888
Segment liabilities	119,413	129,682	680,862	48,857	(529,743)	449,071

Year ended 31 December 2014

	Property Investment \$'000	Property Development \$'000	Corporate \$'000	Hospitality \$'000	Elimination \$'000	Consolidated \$'000
Revenue:						
Sales to external customers	11,219	24,112	-	987	-	36,318
Intersegment revenue	436	-	2,940	-	(3,376)	-
Total revenue	11,655	24,112	2,940	987	(3,376)	36,318
Results:						
Interest income	-	-	21,138	-	(16,166)	4,972
Interest expense	(1,622)	(2,705)	(20,840)	-	13,931	(11,236)
Gain from fair value adjustment of investment properties	3,400	-	-	-	-	3,400
Depreciation of fixed assets	(30)	-	(188)	-	-	(218)
Share of results of associated companies / joint venture companies	(1,137)	12,431	(5)	503	-	11,792
Provision for foreseeable losses on development property	-	(5,000)	-	-	-	(5,000)
Segment profit / (loss) before tax	7,821	6,368	125	(877)	(3,553)	9,884
Assets:						
Investment in associated companies and joint venture companies	42,182	38,110	-	14,060	-	94,352
Additions to non-current assets	3,400	-	89	67,965	-	71,454
Segment assets	243,176	391,095	581,350	103,011	(547,054)	771,578
Segment liabilities	90,543	129,393	712,780	25,763	(513,648)	444,831

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

Please refer to item 8 above.

17 A breakdown of sales

		FY2015	FY2014	% increase / (decrease)
		\$'000	\$'000	
a	Sales reported for first half year	16,106	25,444	(36.70)
b	Operating profit after tax and before deducting non-controlling interests for first half year	1,990	6,874	(71.05)
c	Sales reported for second half year	18,188	10,874	67.26
d	Operating profit after tax and before deducting non-controlling interests for second half year	2,620	1,896	38.19

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

Total Annual Dividend

	FY2015 \$'000	FY2014 \$'000
Ordinary - proposed final	1,951	1,612
Ordinary - interim paid	-	1,343
Total:	<u>1,951</u>	<u>2,955</u>

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(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

None.

BY ORDER OF THE BOARD

Toh Giap Eng
Executive Deputy Chairman
26 February 2016

Eric Teng Heng Chew
CEO & Executive Director