



FIGTREE HOLDINGS LIMITED

Unaudited Financial Statement Announcement For the Six Months Ended 30 June 2014

*Figtree Holdings Limited (the "**Company**") was listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 11 November 2013. The initial public offering of the Company (the "**IPO**") was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**" or "**PPCF**").*

This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the relevant rules of the SGX-ST. The Sponsor has not independently verified the contents of this announcement.

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

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Background

The Company was incorporated in the Republic of Singapore on 5 June 2013 under the Companies Act (Chapter 50) of Singapore as a private limited company under the name of "Figtree Holdings Pte. Ltd.". The Company and its subsidiaries (the "**Group**"), were formed pursuant to a restructuring exercise ("**Restructuring Exercise**") prior to the initial public offering and listing on Catalist of the SGX-ST ("**Catalist**"). Please refer to the Company's Offer Document dated 29 October 2013 for further details on the Restructuring Exercise.

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**

Consolidated Income Statement

		Group		
		Six Months Ended		
	Note	30 June 2014 S\$	30 June 2013 S\$	Increase/ (Decrease) %
Revenue	8(a)(i)	49,942,055	49,882,625	0.1
Cost of sales		(42,558,154)	(41,885,140)	1.6
Gross profit	8(a)(ii)	7,383,901	7,997,485	(7.7)
Other income	8(a)(iii)	215,929	11,019	NM
Administrative costs	8(a)(iv)	(2,218,407)	(1,129,657)	96.4
Share of results of associate	8(a)(v)	(39,491)	–	NM
Profit before taxation (Note 1)	8(a)(vi)	5,341,932	6,878,847	(22.3)
Tax expense	8(a)(vii)	(800,165)	(1,214,475)	(34.1)
Profit for the period		4,541,767	5,664,372	(19.8)
Profit attributable to:				
Equity holders of the Company		4,534,015	5,704,213	(20.5)
Non-controlling interests		7,752	(39,841)	NM
		4,541,767	5,664,372	(19.8)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
- Net effect of exchange differences arising from translation of financial statements of foreign operations		(127,412)	6,395	NM
Other comprehensive income for the period, net of tax		(127,412)	6,395	NM
Total comprehensive income for the period		4,414,355	5,670,767	(22.2)
Total comprehensive income attributable to:				
Equity holders of the Company		4,406,603	5,710,608	(22.8)
Non-controlling interests		7,752	(39,841)	NM
		4,414,355	5,670,767	(22.2)

Notes to the Consolidated Income Statement

Note 1

The following items have been included in arriving at profit before taxation:

		Group		
		Six Months Ended		
	Note	30 June 2014 S\$	30 June 2013 S\$	Increase/ (Decrease) %
Depreciation of property, plant and equipment	8(a)(viii)	78,300	29,134	168.8
Foreign exchange loss, net		526	–	NM
Operating lease expense		18,187	36,494	(50.2)
Employee benefits expense		2,331,107	1,724,586	35.2
Write off of property, plant and equipment		37,570	5,804	547.3

NM – Not Meaningful

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

		Group		Company	
		As at 30 June 2014 S\$	As at 31 December 2013 S\$	As at 30 June 2014 S\$	As at 31 December 2013 S\$
<u>ASSETS</u>	Note				
Non-current assets					
Property, plant and equipment	8(b)(i)	3,735,905	3,665,022	1,609	–
Investment in subsidiaries		–	–	9,152,597	9,152,597
Investment in an associate	8(b)(ii)	269,135	1,491	–	–
Loans to an associate	8(b)(iii)	6,683,259	–	–	–
Total non-current assets		10,688,299	3,666,513	9,154,206	9,152,597
Current assets					
Trade receivables	8(b)(iv)	32,734,326	16,520,942	–	–
Other receivables	8(b)(v)	747,153	1,583,767	–	155,834
Prepayments	8(b)(vi)	19,169	8,829	369	845
Amounts due from subsidiaries		–	–	10,360,733	6,702,491
Amount due from an associate		26,242	–	26,224	–
Cash and short term deposits	8(b)(vii)	4,990,118	25,315,858	1,806,805	8,674,763
Total current assets		38,517,008	43,429,396	12,194,131	15,533,933
Total assets		49,205,307	47,095,909	21,348,337	24,686,530
<u>LIABILITIES</u>					
Current liabilities					
Gross amount due to customers for contract work-in-progress	8(b)(viii)	7,476,455	2,083,612	–	–
Trade and other payables	8(b)(ix)	15,364,292	18,994,204	806,458	776,718
Rebates received in advance	8(b)(x)	–	176,431	–	–
Provision for warranty	8(b)(xi)	–	332,836	–	–
Provision for taxation	8(b)(xii)	1,799,019	2,035,051	3,315	1,793
Total current liabilities		24,639,766	23,622,134	809,773	778,511
Net current assets		13,877,242	19,807,262	11,384,358	14,755,422
Non-current liabilities					
Deferred tax liabilities		33,920	18,269	–	–
Total non-current liabilities		33,920	18,269	–	–
Total liabilities		24,673,686	23,640,403	809,773	778,511
Net assets		24,531,621	23,455,506	20,538,564	23,908,019
<u>EQUITY</u>					
Equity attributable to equity holders of the Company					
Share capital		20,511,462	20,519,150	20,511,462	20,519,150
Accumulated profits		12,255,002	11,051,539	27,102	3,388,869
Merger deficit ⁽¹⁾		(8,152,595)	(8,152,595)	–	–
Foreign currency translation reserve		(121,615)	5,797	–	–
		24,492,254	23,423,891	20,538,564	23,908,019
Non-controlling interests		39,367	31,615	–	–
Total equity		24,531,621	23,455,506	20,538,564	23,908,019

Note:

- (1) The difference between the consideration paid / transferred and the issued and paid up share capital of Figtree Projects Pte. Ltd. during the pre-IPO Restructuring Exercise is reflected as a Merger Deficit under the Equity of the Group.

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

Amount repayable in one year or less, or on demand

As at 30 June 2014		As at 31 December 2013	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	-	-	-

Amount repayable after one year

As at 30 June 2014		As at 31 December 2013	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	-	-	-

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

	Six Months Ended	
	30 June 2014 S\$	30 June 2013 S\$
Cash flows from operating activities		
Profit before taxation	5,341,932	6,878,847
Adjustments for:		
Depreciation of property, plant and equipment	78,300	29,134
Write off of property, plant and equipment	37,570	5,804
Share of results of associate	39,491	–
Interest income	(185,109)	(8,119)
Operating cash flows before working capital changes	5,312,184	6,905,666
Decrease/(increase) in:		
Gross amount due from customers for contract work-in-progress	–	(551,243)
Trade receivables	(16,213,384)	(12,182,789)
Other receivables and prepayments	826,274	27,808
Amount due from an associate	(26,242)	–
(Decrease)/increase in:		
Gross amount due to customers for contract work-in-progress	5,392,843	2,019,903
Trade and other payables	(4,139,179)	3,209,356
Cash flows used in operations	(8,847,504)	(571,299)
Income tax paid	(1,020,547)	(320,496)
Net cash flows used in operating activities	(9,868,051)	(891,795)
Cash flows from investing activities		
Purchases of property, plant and equipment	(187,741)	(63,340)
Net cash outflow on acquisition of an associate	(38,000)	–
Loans to an associate	(7,077,133)	–
Interest received	185,109	8,119
Net cash flows used in investing activities	(7,117,765)	(55,221)
Cash flows from financing activities		
Share issuance expense	(8,000)	–
Dividends paid on ordinary shares	(3,330,240)	(1,500,000)
Placement of pledged bank deposits	–	(1,250,000)
Net cash used in financing activities	(3,338,240)	(2,750,000)
Net decrease in cash and cash equivalents	(20,324,056)	(3,697,016)
Effects of exchange rate changes on cash and cash equivalents	(1,684)	6,292
Cash and cash equivalents at the beginning of the financial period	22,815,858	8,792,392
Cash and cash equivalents at end of the financial period	2,490,118	5,101,668

For the purpose of the consolidated cash flow statements, cash and cash equivalents comprise the following:

	Six Months Ended	
	30 June 2014	30 June 2013
	S\$	S\$
Cash and short term deposits	4,990,118	6,351,668
Less: Pledged deposits	(2,500,000)	(1,250,000)
Cash and cash equivalents at end of the financial period	2,490,118	5,101,668

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

Group	Attributable to equity holders of the Company							
	Share capital S\$	Accumulated profits S\$	Merger deficit S\$	Foreign currency translation reserve S\$	Total reserves S\$	Total equity attributable to equity holders of the Company S\$	Non- controlling interests S\$	Total equity S\$
Balance as at 1 January 2013	1,000,000	3,916,936	–	300	3,917,236	4,917,236	64,592	4,981,828
Profit for the period	–	5,704,213	–	–	5,704,213	5,704,213	(39,841)	5,664,372
<u>Other comprehensive income</u>								
Foreign currency translation	–	–	–	6,395	6,395	6,395	–	6,395
Total comprehensive income for the period	–	5,704,213	–	6,395	5,710,608	5,710,608	(39,841)	5,670,767
<u>Contributions by and distributions to owners</u>								
Dividends on ordinary shares	–	(1,500,000)	–	–	(1,500,000)	(1,500,000)	–	(1,500,000)
Adjustment arising from Restructuring Exercise	2	–	–	–	–	2	–	2
Total contributions by and distributions to owners	2	(1,500,000)	–	–	(1,500,000)	(1,499,998)	–	(1,499,998)
Total transactions with owners in their capacity as owners	2	(1,500,000)	–	–	(1,500,000)	(1,499,998)	–	(1,499,998)
Balance as at 30 June 2013	1,000,002	8,121,149	–	6,695	8,127,844	9,127,846	24,751	9,152,597
Balance as at 1 January 2014	20,519,150	11,051,539	(8,152,595)	5,797	2,904,741	23,423,891	31,615	23,455,506
Profit for the period	–	4,534,015	–	–	4,534,015	4,534,015	7,752	4,541,767
<u>Other comprehensive income</u>								
Foreign currency translation	–	–	–	(127,412)	(127,412)	(127,412)	–	(127,412)
Total comprehensive income for the period	–	4,534,015	–	(127,412)	4,406,603	4,406,603	7,752	4,414,355
<u>Contributions by and distributions to owners</u>								
Dividends on ordinary shares	–	(3,330,552)	–	–	(3,330,552)	(3,330,552)	–	(3,330,552)
Issuance of new ordinary shares as scrip dividend	312	–	–	–	–	312	–	312
Share issuance expense	(8,000)	–	–	–	–	(8,000)	–	(8,000)
Total contributions by and distributions to owners	(7,688)	(3,330,552)	–	–	(3,330,552)	(3,338,240)	–	(3,338,240)
Total transactions with owners in their capacity as owners	(7,688)	(3,330,552)	–	–	(3,330,552)	(3,338,240)	–	(3,338,240)
Balance as at 30 June 2014	20,511,462	12,255,002	(8,152,595)	(121,615)	3,980,792	24,492,254	39,367	24,531,621

Company	Share capital S\$	Accumulated profits S\$	Total S\$
Balance as at 5 June 2013, date of incorporation and as at 30 June 2013	2	–	2
Balance as at 1 January 2014	20,519,150	3,388,869	23,908,019
Profits, representing total comprehensive income, for the period	–	(31,215)	(31,215)
<u>Contributions by and distributions to owners</u>			
Dividends on ordinary shares	–	(3,330,552)	(3,330,552)
Issuance of new ordinary shares as scrip dividend	312	–	312
Share issuance expense	(8,000)	–	(8,000)
Total contributions by and distributions to owners	(7,688)	(3,330,552)	(3,338,240)
Total transactions with owners in their capacity as owners	(7,688)	(3,330,552)	(3,338,240)
Balance as at 30 June 2014	20,511,462	27,102	20,538,564

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

	Company Number of Shares	Company Issued and paid-up share capital (S\$)
As at 31 December 2013	277,546,000	20,519,150
Issuance of new ordinary shares as scrip dividend	822	312
Share issuance expense	–	(8,000)
As at 30 June 2014	<u>277,546,822</u>	<u>20,511,462</u>

The Company was incorporated on 5 June 2013.

There were no outstanding options, convertibles or treasury shares as at 30 June 2014.

- 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**

	Company	
	As at 30 June 2014	As at 31 December 2013
Total number of issued shares excluding treasury shares	<u>277,546,822</u>	<u>277,546,000</u>

There were no treasury shares as at 30 June 2014 and 31 December 2013.

- 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**

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

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

These figures have not been audited or 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

Save as disclosed on Section 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current reporting period as compared with the audited financial statements for the financial year ended 31 December 2013 ("FY2013").

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 Company has adopted certain Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are mandatory for the financial year beginning on or after 01 January 2014. The adoption of these FRS and INT FRS has no significant impact on the financial position or performance of the Group.

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 Six Months Ended	
	30 June 2014	30 June 2013
	S\$	S\$
Profit attributable to owners of the Company	4,534,015	5,704,213
	Weighted Average Number of shares	Weighted Average Number of shares
Basic and diluted weighted average number of ordinary shares	277,546,027	277,546,000 ¹
	Singapore cents	Singapore cents
Basic and diluted EPS attributable to owners of the Company ²	1.63	2.06

Notes:

- (1) For comparative and illustrative purpose, basic and diluted EPS per ordinary share for the six months ended 30 June 2013 was calculated based on the weighted average post-listing share capital of 277,546,000 shares.

- (2) The basic and diluted earnings per ordinary share for the respective financial periods under review were the same as the Company did not have potential dilutive ordinary share as at 30 June 2014 and 30 June 2013.

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

	Group		Company	
	As at 30 June 2014	As at 31 December 2013	As at 30 June 2014	As at 31 December 2013
Net assets value per ordinary share based on issued share capital (cents)	8.82	8.44	7.40	8.61
Number of issued ordinary shares	277,546,822	277,546,000	277,546,822	277,546,000

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

(a) Review of the Income Statement of the Group

Six months ended 30 June 2014 ("HY2014") vs Six months ended 30 June 2013 ("HY2013")

- (i) The Group's revenue remained comparable for HY2014 and HY2013. Revenue contribution was mainly derived from the on-going projects which are in the active stage of construction. Likewise, the marginal increase in cost of sales in HY2014 was in tandem with the marginal increase in the revenue.
- (ii) The Group's gross profit decrease of 7.7% from S\$8.00 million in HY2013 to S\$7.38 million in HY2014 was mainly attributable to the commencement of a major project with Development 8 Pte Ltd ("D8") as well as the completion of most of the projects in the second half of FY2013.
- (iii) The Group's other income increased from S\$0.01 million in HY2013 to S\$0.22 million in HY2014 mainly due to interest income received from long term loans extended to an associate. No such loans were extended in HY2013.
- (iv) The Group's administrative expenses increased by 96.4% from S\$1.13 million in HY2013 to S\$2.22 million in HY2014. The increase was mainly attributable to an increase in (i) general administrative expenses and compliance costs incurred by the Company, such as professional and audit fees, SGX fees and Directors' fees; (ii) depreciation and office related expenses; and (ii)

employee expenses as a result of increased headcount to support the increase in activities of the Group in HY2014.

- (v) Share of results of associate relates to the loss from the Company's associated company, Vibrant Properties Pte. Ltd. ("VVPL") incurred in HY2014.
- (vi) Profit before taxation decreased by 22.3% from S\$6.88 million in HY2013 to S\$5.34 million in HY2014 mainly due to general administrative expenses and compliance costs incurred by the Company, such as professional and audit fees, SGX fees and Directors' fees. As the Group was only listed on SGX-ST in the second half of FY2013, no such expenses were incurred in HY2013.
- (vii) Tax expense decreased by 34.1% from S\$1.21 million in HY2013 to S\$0.80 million in HY2014, which was in line with the lower profits for HY2014.
- (viii) Depreciation of property, plant and equipment increased by 168.8% from S\$0.03 million in HY2013 to S\$0.08 million in HY2014. The increase was mainly attributed to the purchase of leasehold properties in the second half of FY2013.

(b) Review of the Financial Position of the Group

- (i) The net book value of the Group's property, plant and equipment increased from S\$3.67 million as at 31 December 2013 to S\$3.74 million as at 30 June 2014 due to renovation of the new office located at 8 Jalan Kilang Barat, #03-01 Central Link, Singapore 159351, furniture and fittings, office equipment and computers. The increase was partially offset by depreciation charges during the financial period under review.
- (ii) The increase in investment in an associate arose from a capital contribution to VVPL in the form of an interest free loan.
- (iii) Long term loans to an associate as at 30 June 2014 was in relation to shareholder's loans extended to VPPL.
- (iv) Trade receivables as at 30 June 2014 and 31 December 2013 comprised the following :

	Group	
	As at 30 June 2014 S\$	As at 31 December 2013 S\$
Trade receivables	22,169,939	9,805,809
Retention receivables	10,564,387	6,715,133
Total trade receivables	32,734,326	16,520,942

Trade receivables increased by S\$16.21 million from S\$16.52 million as at 31 December 2013 to S\$32.73 million as at 30 June 2014, and retention receivables increased by S\$3.84 million from S\$6.72 million as at 31 December 2013 to S\$10.56 million as at 30 June 2014. The increases were mainly due to the D8 project in HY2014.

- (v) Other receivables as at 30 June 2014 and 31 December 2013 comprised the following :

	Group	
	As at 30 June 2014 S\$	As at 31 December 2013 S\$
Other receivables	700,000	1,400,000
GST receivables	–	155,834
Deposits	35,230	20,212
Sundry receivables	11,923	7,721
Total other receivables	747,153	1,583,767

Other receivables decreased by S\$0.83 million from S\$1.58 million as at 31 December 2013 to S\$0.75 million as at 30 June 2014 mainly due to the decrease in other receivables attributable to the refund of deposits from an insurance company as cash collateral for performance bonds issued following the completion of certain construction projects. There were also no GST receivables as at 30 June 2014. The GST receivables as at 31 December 2013 was in relation to Goods and Services Tax recoverable from the Inland Revenue Authority of Singapore mainly arising from the listing expenses paid for the Company's IPO in FY2013.

- (vi) Prepayments increased by S\$0.01 million from S\$0.01 million as at 31 December 2013 to S\$0.02 million as at 30 June 2014 mainly due to prepayments of property tax for the Company's new office.
- (vii) Cash and short term deposits decreased by S\$20.33 million from S\$25.32 million as at 31 December 2013 to S\$4.99 million as at 30 June 2014 largely due to net cash flows used in operating activities, dividends paid on ordinary shares to shareholders and long term loans to an associate.
- (viii) Gross amount due to customers for contract work-in-progress increased by S\$5.40 million from S\$2.08 million as at 31 December 2013 to S\$7.48 million as at 30 June 2014 mainly due to the commencement of the D8 project in HY2014.
- (ix) Trade and other payables as at 30 June 2014 and 31 December 2013 comprised the following :

	Group	
	30 June 2014 S\$	31 December 2013 S\$
Trade payables	5,609,709	3,737,977
Accrued operating expenses	9,726,873	15,234,843
Sundry payables	27,710	21,384
Total trade and other payables	15,364,292	18,994,204

Trade and other payables decreased by S\$3.63 million from S\$18.99 million as at 31 December 2013 to S\$15.36 million as at 30 June 2014 mainly due to a decrease in accrued operating expenses of S\$5.51 million. Accrued operating expenses were mainly related to accrued expenses for work completed by sub-contractors which has not been invoiced by our sub-contractors, accruals for professional fees and provision for bonuses. This was partially offset by

an increase in trade payables of S\$1.87 million as a result of an increase in construction activities following the commencement of the D8 project in HY2014.

- (x) Rebates received in advance was in relation to a grant received from a supplier for renovation works for the new office. These rebates did not recur in HY2014.
- (xi) Provision for warranty was in relation to a provision for cost expected to be incurred during the defect liability period of the Tech-Link project. As the defect liability period is over, this amount has been reversed in HY2014.
- (xii) Provision for taxation decreased by S\$0.24 million from S\$2.04 million as at 31 December 2013 to S\$1.80 million as at 30 June 2014 in line with the lower profits for HY2014.

(c) Review of the Cash Flow Statement of the Group

In HY2014, the Group recorded a net cash outflow from operating activities of S\$9.87 million, a result of lower operating cash flows before changes in working capital of S\$5.31 million, adjusted for working capital outflows of S\$14.16 million and income tax paid of S\$1.02 million. Working capital outflows were mainly due to an increase in trade receivables of S\$16.21 million, an increase in amount due from an associate of S\$0.03 million and a decrease in trade and other payables of S\$4.14 million. This was partially offset by a decrease in other receivables and prepayments of S\$0.83 million and an increase in gross amount due to customers for contract work-in-progress of S\$5.39 million.

Net cash used in investing activities amounted to S\$7.12 million mainly due to loans extended to an associate of S\$7.08 million, the purchases of property, plant and equipment of S\$0.19 million and acquisition of an associate of S\$0.04 million. This was partially offset by interest received from short term deposits and long term loans to an associate of S\$0.19 million.

Net cash used in financing activities amounted to S\$3.34 million mainly due to dividends paid on ordinary shares of S\$3.33 million.

As a result of the above, there was a net decrease of S\$20.33 million in the Group's cash and cash equivalents, from S\$25.32 million as at 31 December 2013 to S\$4.99 million as at 30 June 2014.

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

The financial results are in line with the Group's discussion presented under Section 10 of the Company's full year unaudited financial results announcement for the financial year ended 31 December 2013, dated 21 February 2014.

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 Group remains positive on its business outlook despite the uncertainties in the global economic conditions.

The Group's Design and Build Segment had a strong start for the financial year ending 31 December 2014 by securing a S\$178.00 million contract in January 2014. The Group will continue to explore and negotiate new potential industrial design and build projects in Singapore, China and the region.

For the Property Development Segment, the Group will continue to explore potential property development opportunities in China through our 40% owned associate, VPPL. VPPL had, through its 60:40 subsidiary 江阴德玛斯特辉联房地产开发有限公司, acquired a government approved resettlement housing development site at 江苏省江阴市澄江街道行政区域 plot 2013-C-47 including guaranteed buy back upon project completion, with a total estimated gross floor area of approximately 35,072 square metre ("sqm") for RMB 75,420,000 or at an average purchase price of RMB 2,112 per sqm in a public auction (the "Residential Development"). The Group has an effective 24% shareholding interest in the Residential Development. The Residential Development shall consist of one block of 33 storey high residential flat and another block of 14 storey high residential flat, with a common basement carpark. Construction on site is on schedule and is expected to be completed by the second quarter of 2016.

During the same period, VPPL had also, through its 50:50 subsidiary 飞煌工业设施发展(苏州)有限公司 (Fervent Industrial Development (Suzhou) Co., Ltd) ("Fervent") acquired a 88,917 sqm prime High Tech Industrial Park development site ("Changshu Fervent Industrial Park" or "CFIP") with a total estimated gross floor area of approximately 67,405.40 sqm in Changshu High Tech Industrial Park, CEDZ, Jiangsu for RMB 28,849,120 or an average purchase price of RMB 324.45 per sqm in a public land auction (the "Industrial Development"). The Group has an effective 20% shareholding interest in the Industrial Development. The Industrial Development is expected to be consist of six blocks of standard light industrial factory and one block multi-purpose facility, which may house cafes, eateries and automated teller machines. The six blocks of light industrial facilities will be part 3 storey ancillary office and part single storey factory of either semi-detached or terraced configuration. Construction on site is on schedule and is expected to be completed by the second quarter of 2015.

The Group also registered a wholly-owned subsidiary Figtree Real Estate Pty Ltd in Australia in HY2014 to explore property development opportunities in the major cities of Australia.

The Group's order book as at the date of this announcement is S\$198.80 million, a significant increase over S\$91.91 million as stated in the Company's IPO Offer Document dated 29 October 2013 ("Offer Document").

The Group is expected to remain profitable for FY2014.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(c) *Date payable:*

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 for the six months financial period ended 30 June 2014.

13. If the group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have an existing general mandate pursuant to Rule 920 of the Catalist Listing Manual.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders’ mandate pursuant to Rule 920 (\$’000))	Aggregate value of all interested person transactions conducted under shareholders’ mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (\$’000)
Singapore Enterprises Private Limited in relation to the provision of proportionate shareholders’ loans to VPPL ¹	6,910	–
Update on IPT as disclosed in the Offer Document		
Design and build contract between Figtree Projects Pte. Ltd. and Freight Links E-Logistics Technopark Pte Ltd ²	1,719	–
Design and build contract between Figtree Projects and Crystal Freight Services Distripark Pte Ltd ³	300	–

Notes:

1. The transactions are not required to comply with Rule 906 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (“Catalist Rules”) pursuant to Rule 916(3)(c) of the Catalist Rules.
2. As disclosed in Page 121 of the Offer Document. Construction works for this project commenced on 11 September 2013. For HY2014, S\$0.99 million of work was done for this project and S\$1.72 million was invoiced. A total amount of S\$2.69 million of work was done, S\$2.47 million was invoiced and S\$2.15 million has been collected since the commencement of this project.
3. As disclosed in Page 121 of the Offer Document. This project is currently in the design phase. For HY2014, S\$0.32 million of work was done for this project, out of which S\$0.30 million was invoiced and S\$0.30 million has been collected.

14. Use of IPO proceeds

The net proceeds raised from the IPO, after deducting the cash expenses in relation to the IPO of approximately S\$1.95 million is approximately S\$10.05 million.

The following table sets out the breakdown of the use of proceeds from the IPO as at the date of this announcement:

Purpose	Amount allocated as set out in the Offer Document (S\$'000)	Amount reallocated as per announcement dated 3 January 2014 (S\$'000)	Amount utilised as at the date of this announcement (S\$'000)	Amount reallocated as at the date of this announcement (S\$'000)	Amount un-utilised as at the date of this announcement (S\$'000)
Undertake property development projects	5,000	123	(3,620)	601	2,104
Expansion of our operations in existing markets and into new markets	600	–	–	(600) ⁽¹⁾	–
Financing the purchase of the New Office	354	–	(353)	(1) ⁽¹⁾	–
Repayment of bank borrowing for the purchase of the New Office	1,764	(16)	(1,748)	–	–
General working capital	2,221	–	(2,221)	–	–
Total	9,939	107	(7,942)	–	2,104

(1) The aggregate amount of S\$601,000 from "Expansion of our operations in existing markets and into new markets" and "Financing the purchase of the New Office" will be reallocated for the purpose of "Undertake property development projects" as the Group will continue to seek property development opportunities as and when arises in Australia and China.

As at the date of this announcement, the Company had unutilised proceeds of S\$2.10 million.

15. Confirmation by Directors pursuant to Rule 705(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited

The Board of Directors of the Company confirms that, to the best of their knowledge, nothing has come to the attention of the Board of Directors that may render the unaudited financial statements for the six months ended 30 June 2014 to be false or misleading in any material aspect.

By Order of the Board

Siaw Ken Ket @ Danny Siaw
Executive Chairman & Managing Director
12 August 2014