



SYSDMA HOLDINGS LIMITED

Company Registration No: 201207614H
(Incorporated in the Republic of Singapore on 28 March 2012)
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MEDIA RELEASE

Sysma Holdings reports 28% growth in revenue to S\$126.2 million in FY2016

- Higher FY2016 revenue mainly due to increased contributions from property development projects
- Registers net profit of S\$2.5 million despite the challenging macroeconomic environment
- Maintains stable cash flow, strong balance sheet and low net gearing ratio

(S\$ '000)	Full Year Ended 31 July		
	FY2016	FY2015	Change (%)
Revenue	126,228	98,423	28.3
Gross Profit	8,935	9,087	(1.7)
Gross Profit Margin (%)	7.1%	9.2%	-2.2 ppt
Profit Before Tax	3,340	3,251	2.7
Net Profit	2,507	2,911	(13.9)

Singapore, 21 September 2016 – Sysma Holdings Limited (“Sysma Holdings” and together with its subsidiaries, the “Group”), an established construction company with diversification into real estate development, has announced the Group’s financial results for the financial year ended 31 July 2016 (“FY2016”).

The Group’s revenue grew by 28.3% to S\$126.2 million in FY2016, compared to S\$98.4 million in the previous financial year ended 31 July 2015 (“FY2015”). This was mainly due to increased contributions from the Group’s three property development projects, namely 28 RC Suite, 8M Residence and Charlton 18, which collectively contributed an aggregate of S\$72.2 million in FY2016, compared to S\$42.9 million in FY2015.

As at 31 July 2016, the Group’s property development project, 28 RC Suites, is close to 90% sold and is expected to receive its temporary occupation permit (“TOP”) by December 2016. Its second project, 8M Residences, is more than 85% sold and has received its TOP, while Charlton 18 has also received its TOP, with two semi-detached units sold after intensified marketing efforts over the past few months. Moving forward, the Group will continue to actively market the remaining units in all its development projects.

In line with the Group’s strategy to be selective in bidding for construction projects, revenue contribution from the Group’s construction segment (including Additions and Alterations projects) has remained relatively stable at S\$54.0 million in FY2016, with an order book of approximately S\$92 million as at 31 July 2016.

During FY2016, the Group continued to bid for construction projects on a selective basis by leveraging on its strong market reputation as a trusted builder of high-end landed properties and Good Class Bungalows. In the near term, it will focus on executing its projects in a timely manner and managing costs effectively.

Gross profit declined 1.7% year-on-year to S\$8.9 million in FY2016, mainly due to a lower gross profit margin recorded. Gross profit margin decreased from 9.2% to 7.1% due to a different product mix sold.

The Singapore economy continues to be slow, with the property market remaining muted. Despite the challenging business landscape, the Group continues to manage its finances prudently, and has a healthy balance sheet and stable cash flow. As at 31 July 2016, the Group's cash and cash equivalents amounted to S\$34.8 million, while net asset value stood at 16.35 Singapore cents per share.

Commenting on the Group's FY2016 financial results, Mr Sin Soon Teng, Executive Chairman and Chief Executive Officer of Sysma Holdings, said, "We are gratified to deliver a profitable year in spite of the global and industry headwinds. The pipeline for both construction and property development projects has been challenging, and we continue to be cautious in evaluating projects before we select and embark on suitable projects. In the near term, we will focus on executing our projects seamlessly and complete the existing ones in time. We will also continue to explore construction and property development projects which hold great potential for the Group."

To drive further growth and value for shareholders for the long term, the Group is proactively exploring strategic investment opportunities which leverage its core competencies in construction and property development.

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This press release should be read in conjunction with Sysma Holdings' Full Year Financial Statement for the 12-month period ended 31 July 2016.

About Sysma Holdings

With close to 30 years' experience in the business, Sysma Holdings is an established construction company with diversification into real estate development. Over the years, Sysma Holdings has built up a strong and diverse track record in the construction of high-end landed homes and other residential, commercial, conservation and industrial property. In FY2013, the company made its foray into real estate development and successfully launched three private residential projects to date. The company has been listed on the Catalist board of SGX since 3 August 2012. For more information on Sysma Holdings, please visit <http://sysma.com.sg>.

This release is issued on behalf of Sysma Holdings Limited by Kreab. For analyst and media queries, please contact:

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This press release 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. The Sponsor has not verified the contents of this press release.

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

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