



FIGTREE HOLDINGS LIMITED

(Company Registration Number : 201315211G)

**Unaudited Financial Statement and Dividend Announcement
For the Three Months and Six Months Financial Period Ended 30 June 2018**

**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

	Note	Group Three Months Ended			Group Six Months Ended		
		30 June 2018	30 June 2017	Change	30 June 2018	30 June 2017	Change
		S\$	S\$	%	S\$	S\$	%
Revenue	8(a)(i)	179,578	2,831,771	(93.7)	703,273	10,045,507	(93.0)
Cost of sales	8(a)(ii)	(250,925)	59,254	NM	(302,780)	(4,998,432)	(93.9)
Gross (loss)/profit	8(a)(ii)	(71,347)	2,891,025	NM	400,493	5,047,075	(92.1)
Other income	8(a)(iii)	1,315,032	342,106	NM	1,490,489	691,403	115.6
General and administrative expenses	8(a)(iv)	(875,329)	(1,452,405)	(39.7)	(3,173,165)	(2,335,467)	35.9
Finance costs	8(a)(v)	(28,355)	(8,304)	NM	(53,202)	(8,304)	NM
Share of results of associates	8(a)(vi)	(856,412)	(401,910)	113.1	(1,465,777)	(751,727)	95.0
(Loss)/profit before taxation		(516,411)	1,370,512	NM	(2,801,162)	2,642,980	NM
Tax expense	8(a)(vii)	(150,446)	(520,139)	(71.1)	(117,054)	(712,995)	(83.6)
(Loss)/profit for the period		(666,857)	850,373	NM	(2,918,216)	1,929,985	NM
Attributable to:							
Owners of the Company		(640,771)	872,147	NM	(2,930,549)	1,973,547	NM
Non-controlling interests		(26,086)	(21,774)	(19.8)	12,333	(43,562)	NM
		(666,857)	850,373	NM	(2,918,216)	1,929,985	NM

NM – Not Meaningful

Consolidated Statement of Comprehensive Income

	Group			Group		
	Three Months Ended			Six Months Ended		
	30 June 2018 S\$	30 June 2017 S\$	Change %	30 June 2018 S\$	30 June 2017 S\$	Change %
(Loss)/profit for the period	(666,857)	850,373	NM	(2,918,216)	1,929,985	NM
Other comprehensive income: Items that may be reclassified subsequently to profit or loss						
- Exchange differences on translation of foreign operations	(531,715)	69,158	NM	(62,376)	(435,112)	(85.7)
Other comprehensive income for the period, net of tax	(531,715)	69,158	NM	(62,376)	(435,112)	(85.7)
Total comprehensive income for the period	<u>(1,198,572)</u>	<u>919,531</u>	NM	<u>(2,980,592)</u>	<u>1,494,873</u>	NM
Attributable to:						
Owners of the Company	(1,172,486)	941,305	NM	(2,992,925)	1,538,435	NM
Non-controlling interests	(26,086)	(21,774)	(19.8)	12,333	(43,562)	NM
	<u>(1,198,572)</u>	<u>919,531</u>	NM	<u>(2,980,592)</u>	<u>1,494,873</u>	NM

NM – Not Meaningful

Notes to the Consolidated Income Statement

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

	Note	Group Three Months Ended			Group Six Months Ended		
		30 June 2018	30 June 2017	Change	30 June 2018	30 June 2017	Change
		S\$	S\$	%	S\$	S\$	%
Depreciation of property, plant and equipment		47,959	48,869	(1.9)	96,171	94,054	2.3
Foreign exchange (gain)/loss, net	8(a)(iv)	(323,852)	356,109	NM	739,616	139,967	NM
Interest income from loans to associates		(122,844)	(272,066)	(54.8)	(251,133)	(562,665)	(55.4)
Operating lease expense		20,602	21,541	(4.4)	45,783	36,112	26.8
Write back of allowance for doubtful debts (trade)	8(a)(iii)	(1,125,000)	–	NM	(1,125,000)	–	NM
Employee benefits expense	A	1,195,495	1,062,674	12.5	2,332,489	2,507,960	(7.0)
<hr/>							
<i>Note A: Employee benefits expense</i>							
<i>Presented in the consolidated income statement as:</i>							
- Cost of sales		279,404	355,130	(21.3)	514,740	960,092	(46.4)
- General and administrative expenses		916,091	707,544	29.5	1,817,749	1,547,868	17.4
		1,195,495	1,062,674	12.5	2,332,489	2,507,960	(7.0)

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

	Note	Group		Company	
		As at 30 June 2018 S\$	As at 31 December 2017 S\$	As at 30 June 2018 S\$	As at 31 December 2017 S\$
ASSETS					
Non-current assets					
Property, plant and equipment		3,359,510	3,446,573	–	–
Investments in subsidiaries		–	–	9,152,597	9,152,597
Interests in associates	8(b)(i)	5,692,693	7,146,762	–	–
Loans to associates	8(b)(ii)	16,191,483	16,446,064	–	–
Loans to a subsidiary		–	–	1,968,952	1,953,419
Other receivables	8(b)(iii)	13,489,702	13,680,062	–	–
Total non-current assets		38,733,388	40,719,461	11,121,549	11,106,016
Current assets					
Development properties	8(b)(iv)	30,135,616	30,610,897	–	–
Contract assets		347,836	117,759	–	–
Trade receivables	8(b)(v)	8,206,433	11,617,590	–	–
Other receivables	8(b)(iii)	175,679	178,754	–	–
Prepayments		61,433	67,356	7,011	3,887
Amounts due from subsidiaries		–	–	21,699,234	22,091,370
Loans to associates	8(b)(ii)	4,937,975	4,305,922	–	–
Amounts due from associates		11,289	–	11,289	–
Cash and short-term deposits	8(b)(vi)	1,055,167	1,754,387	758,084	73,294
Total current assets		44,931,428	48,652,665	22,475,618	22,168,551
Total assets		83,664,816	89,372,126	33,597,167	33,274,567
LIABILITIES					
Current liabilities					
Trade and other payables	8(b)(vii)	12,651,877	13,371,154	1,377,265	1,159,775
Bank borrowings	8(b)(viii)	2,250,000	3,300,000	–	–
Provision for taxation	8(b)(ix)	842,223	1,560,933	3,811	4,048
Total current liabilities		15,744,100	18,232,087	1,381,076	1,163,823
Net current assets		29,187,328	30,420,578	21,094,542	21,004,728
Non-current liabilities					
Trade and other payables	8(b)(vii)	16,931,128	17,269,616	–	–
Deferred tax liabilities		902,676	861,520	64,331	56,094
Total non-current liabilities		17,833,804	18,131,136	64,331	56,094
Total liabilities		33,577,904	36,363,223	1,445,407	1,219,917
Net assets		50,086,912	53,008,903	32,151,760	32,054,650

	Group		Company	
	As at 30 June	As at 31	As at 30 June	As at 31
	2018	December	2018	December
	S\$	2017	S\$	2017
	S\$	S\$	S\$	S\$
<u>EQUITY</u>				
Equity attributable to owners of the Company				
Share capital	29,418,521	29,418,521	29,418,521	29,418,521
Accumulated profits ⁽¹⁾	28,674,900	31,941,192	2,564,460	2,525,948
Merger deficit ⁽²⁾	(8,152,595)	(8,152,595)	–	–
Share option reserve	168,779	110,181	168,779	110,181
Foreign currency translation reserve ⁽¹⁾	(486,489)	(759,859)	–	–
Other reserves	488,000	488,000	–	–
	50,111,116	53,045,440	32,151,760	32,054,650
Non-controlling interests	(24,204)	(36,537)	–	–
Total equity	50,086,912	53,008,903	32,151,760	32,054,650

Note :

- (1) On transition to the Singapore Financial Reporting Framework (International) ("SFRS(I)"), a new financial reporting framework identical to International Financial Reporting Standards, the Group has elected the option to deem cumulative translation differences for foreign operations to be zero on 1 January 2017, and accordingly, the gain or loss that will be recognised on a subsequent disposal of the foreign operations will exclude cumulative translation differences that arose before 1 January 2017. The Group has reclassified an amount of S\$335,746 of foreign currency translation reserve to the opening retained earnings as at 1 January 2017.
- (2) 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 2018		As at 31 December 2017	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
–	2,250,000	–	3,300,000

Amount repayable after one year

As at 30 June 2018		As at 31 December 2017	
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

	Group		Group	
	Three Months Ended		Six Months Ended	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	S\$	S\$	S\$	S\$
Cash flows from operating activities				
(Loss)/profit before taxation	(516,411)	1,370,512	(2,801,162)	2,642,980
Adjustments for:				
Depreciation of property, plant and equipment	47,959	48,869	96,171	94,054
Share of results of associates	856,412	401,910	1,465,777	751,727
Share-based expense	29,299	15,554	58,598	31,108
Write back of allowance for doubtful debts (trade)	(1,125,000)	–	(1,125,000)	–
Interest income	(180,645)	(313,862)	(355,010)	(624,520)
Finance costs	28,355	8,304	53,202	8,304
Unrealised exchange (gain)/loss	(473,921)	95,377	871,913	(1,555)
Operating cash flows before changes in working capital	(1,333,952)	1,626,664	(1,735,511)	2,902,098
Decrease/(increase) in:				
Development properties	(365,998)	736,395	(585,479)	145,590
Contract assets	(161,460)	–	(230,077)	–
Trade receivables	3,303,166	4,362,494	4,536,157	5,846,925
Other receivables and prepayments	59,190	(105,776)	(89,365)	(149,746)
Amounts due from associates	(11,289)	–	(11,289)	–
(Decrease)/increase in:				
Contract liabilities	–	(1,882,089)	–	(1,226,271)
Trade and other payables	(405,522)	(10,562,244)	(781,089)	(13,684,892)
Cash flows generated from/(used in) operations	1,084,135	(5,824,556)	1,103,347	(6,166,296)
Income tax paid	(773,555)	(927,227)	(794,609)	(969,769)
Interest received	57,801	41,796	103,877	61,855
Net cash flows generated from/(used in) operating activities	368,381	(6,709,987)	412,615	(7,074,210)
Cash flows from investing activities				
Purchases of property, plant and equipment	(7,352)	(7,642)	(8,633)	(65,432)
Repayment of loans from associates	–	3,651,002	–	2,822,742
Acquisition of an associate	–	(4,083,353)	–	(4,083,353)
Net cash flows used in investing activities	(7,352)	(439,993)	(8,633)	(1,326,043)
Cash flows from financing activities				
Dividends paid on ordinary shares	–	(771,748)	–	(771,748)
Share issuance expense	–	(8,147)	–	(8,147)
Net proceeds from exercise of employee share options	–	139,742	–	139,742
Proceeds from bank borrowings	750,000	2,000,000	750,000	3,000,000
Repayment of bank borrowings	(500,000)	(1,000,000)	(1,800,000)	(1,000,000)
Interest paid	(28,355)	(8,304)	(53,202)	(8,304)

Net cash flows generated from/(used in) financing activities	<u>221,645</u>	<u>351,543</u>	<u>(1,103,202)</u>	<u>1,351,543</u>
Net increase/(decrease) in cash and cash equivalents	582,674	(6,798,437)	(699,220)	(7,048,710)
Cash and cash equivalents at the beginning of period	472,493	13,102,964	1,754,387	13,353,237
Cash and cash equivalents at the end of period	<u>1,055,167</u>	<u>6,304,527</u>	<u>1,055,167</u>	<u>6,304,527</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

Group	Attributable to equity holders of the Company							Total equity attributable to owners of the Company S\$	Non-controlling interests S\$	Total equity S\$
	Share capital S\$	Accumulated profits S\$	Merger deficit S\$	Share option reserve S\$	Foreign currency translation reserve S\$	Other reserves	Total reserves S\$			
Balance as at 1 April 2017	26,083,664	31,096,242	(8,152,595)	77,430	(504,270)	488,000	23,004,807	49,088,471	(8,727)	49,079,744
Profit for the period	-	872,147	-	-	-	-	872,147	872,147	(21,774)	850,373
<u>Other comprehensive income</u>										
Foreign currency translation	-	-	-	-	69,158	-	69,158	69,158	-	69,158
Total comprehensive income for the period	-	872,147	-	-	69,158	-	941,305	941,305	(21,774)	919,531
<u>Contributions by and distributions to owners</u>										
Dividends on ordinary shares	3,187,330	(3,959,078)	-	-	-	-	(3,959,078)	(771,748)	-	(771,748)
Share issuance expense	(8,147)	-	-	-	-	-	-	(8,147)	-	(8,147)
Exercise of employee share options	164,994	-	-	(25,252)	-	-	(25,252)	139,742	-	139,742
Share-based expense	-	-	-	15,554	-	-	15,554	15,554	-	15,554
Total contributions by and distributions to owners	3,344,177	(3,959,078)	-	(9,698)	-	-	(3,968,776)	(624,599)	-	(624,599)
Total transactions with owners in their capacity as owners	3,344,177	(3,959,078)	-	(9,698)	-	-	(3,968,776)	(624,599)	-	(624,599)
Balance as at 30 June 2017	29,427,841	28,009,311	(8,152,595)	67,732	(435,112)	488,000	19,977,336	49,405,177	(30,501)	49,374,676

Group	Attributable to equity holders of the Company							Total equity attributable to owners of the Company S\$	Non-controlling interests S\$	Total equity S\$
	Share capital S\$	Accumulated profits S\$	Merger deficit S\$	Share option reserve S\$	Foreign currency translation reserve S\$	Other reserves	Total reserves S\$			
Balance as at 1 April 2018	29,418,521	29,315,671	(8,152,595)	139,480	45,226	488,000	21,835,782	51,254,303	1,882	51,256,185
Loss for the period	-	(640,771)	-	-	-	-	(640,771)	(640,771)	(26,086)	(666,857)
<u>Other comprehensive income</u>										
Foreign currency translation	-	-	-	-	(531,715)	-	(531,715)	(531,715)	-	(531,715)
Total comprehensive income for the period	-	(640,771)	-	-	(531,715)	-	(1,172,486)	(1,172,486)	(26,086)	(1,198,572)
<u>Contributions by and distributions to owners</u>										
Share-based expense	-	-	-	29,299	-	-	29,299	29,299	-	29,299
Total contributions by and distributions to owners	-	-	-	29,299	-	-	29,299	29,299	-	29,299
Total transactions with owners in their capacity as owners	-	-	-	29,299	-	-	29,299	29,299	-	29,299
Balance as at 30 June 2018	29,418,521	28,674,900	(8,152,595)	168,779	(486,489)	488,000	20,692,595	50,111,116	(24,204)	50,086,912

Company	Share capital S\$	Accumulated profits S\$	Share option reserve S\$	Total S\$
Balance as at 1 April 2017	26,083,664	4,227,719	77,430	30,388,813
Loss, representing total comprehensive income, for the period	-	(77,490)	-	(77,490)
<u>Contributions by and distributions to owners</u>				
Dividends on ordinary shares	3,187,330	(3,959,078)	-	(771,748)
Share issuance expense	(8,147)	-	-	(8,147)
Exercise of employee share options	164,994	-	(25,252)	139,742
Share-based expense	-	-	15,554	15,554
Total contributions by and distributions to owners	3,344,177	(3,959,078)	(9,698)	(624,599)
Total transactions with owners in their capacity as owners	3,344,177	(3,959,078)	(9,698)	(624,599)
Balance as at 30 June 2017	29,427,841	191,151	67,732	29,686,724
Balance as at 1 April 2018	29,418,521	2,475,282	139,480	32,033,283
Profit, representing total comprehensive income, for the period	-	89,178	-	89,178
<u>Contributions by and distributions to owners</u>				
Share-based expense	-	-	29,299	29,299
Total contributions by and distributions to owners	-	-	29,299	29,299
Total transactions with owners in their capacity as owners	-	-	29,299	29,299
Balance as at 30 June 2018	29,418,521	2,564,460	168,779	32,151,760

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

	Company	
	Number of shares	Issued and paid-up share capital (S\$)
As at 31 March 2018	337,406,232	29,418,521
As at 30 June 2018	337,406,232	29,418,521

Figtree Employee Share Option Scheme (the “ESOS”)

The movement in ESOS during the period was as follows:

	2018 Number of share options	2017 Number of share options
Outstanding as at 1 April	5,525,000	4,435,000
Outstanding as at 30 June	5,525,000	4,435,000

The outstanding share options of 5,525,000 as at 30 June 2018 (30 June 2017: 4,435,000) are convertible into 5,525,000 (30 June 2017: 4,435,000) ordinary shares of the Company.

Other than the unexercised share options under the ESOS as stated above, the Company had no other outstanding convertibles, subsidiary holdings or treasury shares as at 30 June 2018 and 30 June 2017.

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 2018	As at 31 December 2017
Total number of issued shares excluding treasury shares	337,406,232	337,406,232

The Company did not have any treasury shares as at 30 June 2018 and 31 December 2017.

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

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

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

Not applicable. The Company does not have any subsidiary holdings 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 2017.

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

For annual financial period beginning on or after 1 January 2018, Singapore-incorporated companies listed on the Singapore Exchange will apply the Singapore Financial Reporting Framework (International) ("SFRS(I)"), a new financial reporting framework identical to International Financial Reporting Standards. The Group has adopted SFRS(I) on 1 January 2018.

On transition to the new financial reporting framework, the Group has elected the option to deem cumulative translation differences of foreign operations to be zero on 1 January 2017, and accordingly, the gain or loss that will be recognised on a subsequent disposal of the foreign operations will exclude cumulative translation differences that arose before 1 January 2017. The Group has reclassified an amount of S\$335,746 of foreign currency translation reserve to the opening retained earnings as at 1 January 2017.

Other than the effects of the matter as described in the paragraphs above, the Group has adopted certain Financial Reporting Standards ("FRS") and Interpretations of FRS ("INT FRS") that are mandatory for the financial year beginning on or after 1 January 2018. The adoption of these FRS and INT FRS has no significant impact on the financial position or performance of the Group for the current financial period reported on.

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

	Group Three Months Ended		Group Six Months Ended	
	30 June 2018	30 June 2017	30 June 2018	30 June 2017
	S\$	S\$	S\$	S\$
(Loss)/profit attributable to owners of the Company	(640,771)	872,147	(2,930,549)	1,973,547
Weighted average number of ordinary shares for basic earnings per share computation	337,370,972	315,894,104	337,370,972	315,894,104
Effects of dilution:				
- Share options	-	1,082,210	-	1,082,210
Weighted average number of ordinary shares for diluted earnings per share computation	337,370,972	316,976,314	337,370,972	316,976,314
Basic (loss)/earnings per share (cents)	(0.19)	0.28	(0.87)	0.62
Diluted (loss)/earnings per share (cents) ⁽¹⁾	(0.19)	0.28	(0.87)	0.62

Note:

(1) The basic and diluted loss per share for the three months and six months ended 30 June 2018 were the same as the potential ordinary shares to be exercised from the outstanding share options are anti-dilutive as the effect of the share conversions would be to decrease the loss per share.

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 2018	As at 31 December 2017	As at 30 June 2018	As at 31 December 2017
Net asset value per ordinary share based on issued share capital (cents)	14.85	15.72	9.53	9.50
Number of issued ordinary shares	337,406,232	337,406,232	337,406,232	337,406,232

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 Consolidated Income Statement

Financial period from 1 April 2018 to 30 June 2018 ("2Q2018") vs 1 April 2017 to 30 June 2017 ("2Q2017")

- (i) The Group's revenue decreased due to various projects completed in the financial year ended 2017 ("FY2017").
- (ii) The negative cost of sales recognised in 2Q2017 was mainly due to a write back of an accrual of subcontractors' costs that was no longer required. The gross loss incurred during 2Q2018 arose from the reversal of revenue recognised in prior periods due to the final settlement of projects previously completed.
- (iii) The increase in other income was mainly due to the write back of allowance for doubtful debts (trade) that was no longer required.
- (iv) The Group's general and administrative expenses decreased mainly due to foreign exchange gains recognised in 2Q2018 from the strengthening of the United States Dollar against the Singapore Dollar, resulting in a foreign exchange gain during the period, compared to a foreign exchange loss in 2Q2017.
- (v) The increase in finance costs was mainly due to interest paid on short term bank borrowings and other borrowings.
- (vi) The increase in losses incurred by associates arose due to operational costs from developments that commenced in the fourth quarter of 2017.
- (vii) The decrease in tax expense is due to the deferred tax assets arising from unutilised tax losses which have been offset with the deferred tax liabilities during the period.

(b) Review of the Financial Position of the Group

- (i) The decrease in interests in associates arose from the Group's share of associates' losses for the period, as well as the Group's share of the foreign currency translation reserve of associates.
- (ii) Total loans to associates as at 30 June 2018 and 31 December 2017 comprised the following :

	Group	
	As at 30 June 2018	As at 31 December 2017
	S\$	S\$
Non-current	16,191,483	16,446,064
Current	4,937,975	4,305,922
Total loans to associates	21,129,458	20,751,986

Total loans to associates increased mainly due to interest charged to associates for outstanding loans.

- (iii) Other receivables as at 30 June 2018 and 31 December 2017 comprised the following :

	Group	
	As at 30 June 2018 S\$	As at 31 December 2017 S\$
Non-current:		
Deposits held in trust	13,489,702	13,680,062
Current:		
Refundable deposits	73,222	81,589
Sundry receivables	102,457	97,165
	175,679	178,754
Total other receivables	13,665,381	13,858,816

Total other receivables decreased mainly due to deposits received from customers held in trust arising from the sales of residential units at 303 La Trobe, in Melbourne, Australia. This decrease is due to the weaker Australian Dollar against the Singapore Dollar as at 30 June 2018 as compared to 31 December 2017.

- (iv) Development properties decreased mainly due to the weaker Australian Dollar against the Singapore Dollar as at 30 June 2018 as compared to 31 December 2017.
- (v) Trade receivables as at 30 June 2018 and 31 December 2017 comprised the following :

	Group	
	As at 30 June 2018 S\$	As at 31 December 2017 S\$
Trade receivables	409,706	1,879,544
Accrued receivables	1,306,009	2,313,893
Retention receivables	6,490,718	8,549,153
	8,206,433	12,742,590
Less: Allowance for doubtful debt	–	(1,125,000)
Total trade receivables	8,206,433	11,617,590

Total trade receivables decreased mainly due to the receipt of outstanding trade receivable balances.

- (vi) Cash and short term deposits decreased mainly due to the repayment of bank borrowings of S\$1.80 million, partially offset by proceeds received from bank borrowings of S\$0.75 million and net cash flows generated from operating activities of S\$0.41 million.

(vii) Trade and other payables as at 30 June 2018 and 31 December 2017 comprised the following :

	Group	
	As at 30 June 2018 S\$	As at 31 December 2017 S\$
Non-current:		
Deposits received from customers	13,280,811	13,569,534
Accrued operating expenses	3,650,317	3,700,082
	16,931,128	17,269,616
Current:		
Trade payables	2,432,746	3,648,430
Accrued subcontractors' costs	5,566,248	7,287,447
Accrued operating expenses	2,271,074	2,201,080
GST payables	187,106	20,208
Sundry payables	2,194,703	213,989
	12,651,877	13,371,154
Total trade and other payables	29,583,005	30,640,770

Trade and other payables decreased mainly due to (i) a decrease in non-current trade and other payables due to the weakening of the Australian Dollar against the Singapore Dollar; and (ii) a decrease in trade payables together with accrued subcontractors' costs due to payments made for outstanding balances owing. This was partially offset by an increase in sundry payables resulting from other borrowings of S\$2.00 million.

(viii) The decrease in bank borrowings was due to the repayment of S\$1.80 million, partially offset by proceeds received of S\$0.75 million.

(ix) Provision for taxation decreased mainly due to income tax paid during the period.

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

In 2Q2018, the Group recorded a net cash inflow from operating activities of S\$0.37 million, which was a result of negative operating cash flows before changes in working capital of S\$1.33 million, adjusted for working capital inflows of S\$2.42 million, income tax paid of S\$0.77 million and interest received of S\$0.06 million. Working capital inflows were mainly due to a decrease in trade receivables of S\$3.30 million and a decrease in other receivables and prepayments of S\$0.06 million. This was partially offset by an increase in development properties of S\$0.37 million, an increase in contract assets of S\$0.16 million, an increase in amounts due from associates of S\$0.01 million, and a decrease in trade and other payables of S\$0.41 million.

Net cash generated from financing activities amounted to S\$0.22 million mainly due proceeds from bank borrowings of S\$0.75 million, partially offset by repayment of bank borrowings of S\$0.50 million.

As a result of the above, there was a net increase of S\$0.58 million in the Group's cash and cash equivalents, from S\$0.47 million as at 31 March 2018 to S\$1.06 million as at 30 June 2018.

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

The progress of the Group's projects are updated in Section 10 below.

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

Faced with a competitive construction industry in Singapore, although the Group continues to actively participate in tenders for industrial projects in Singapore, the Group is also cautiously selective in its tenders due to the challenging market conditions. Barring any unforeseen circumstances, the Group remains cautious in the construction industry in Singapore while continuing to explore opportunities in other markets such as China and Australia.

The Group's overseas property development projects in China and Australia are progressing on schedule. As construction gained momentum for these projects, operational costs have risen correspondingly which have impacted the bottomline in the short term. However, the expected completion of two projects – the mixed development in Jiangyin, and the Build-to-Suit ("BTS") development for Ingevity in Changshu Fervent Industrial Park – by the end of 2018 should positively impact the Group's financial performance from 2019. The Group continues to see potential in the property development and investment business in China and Australia, and is exploring other accretive business opportunities including monetising on existing development projects.

Property Investment – China

The Group's first property investment project, Fervent High Tech Industrial Park (Phase One and Two), in which it owns an effective stake of 32%, is now 100% leased.

Under Phase two of the project, the Group's customised BTS factory for Ingevity Corporation commenced construction in October 2017, and is expected to complete by end 2018. Upon completion, this facility with lease area of 13,122 square metres, will be leased to Ingevity for 10 years.

Construction of the Group's second customised BTS factory for Faurecia (Changshu) Automotive System Co., Ltd commenced in July 2018 with a target completion date of 2Q2019. It will be leased to Faurecia for seven years upon completion. This BTS factory will occupy an area of approximately 43,000 square metres with a build-in lease area of 32,805 square metres.

Phase One, which has an available factory leasing space of 58,024 square metres, has been 100% leased to MNCs from various countries such as USA, Italy, France, Germany and Japan.

Property Development – China

In Jiangyin, construction of our mixed residential and commercial development is progressing on schedule with completion expected by end 2018. Of the 508 residential units launched, more than 99% have been sold. This development also has 156 commercial units which are currently on sale and approximately 44% have been sold. The Group has an effective stake of 24% in this project.

In Chongqing, our 20%-owned associate, Vibrant Pucheng Logistics (Chongqing) Co., Ltd, is developing a state-of-the-art Multi-Modal Logistics Distribution Centre ("DC"), which will commence construction in 3Q2018. When completed in 2022, the DC will integrate land, sea, rail and air logistics services, in line with China's "belt and road initiative" and the announced Chongqing Connectivity Initiative (CCI) between Singapore and PRC. The completed DC will consist of 7 blocks of 2-storey ramped up warehouse facilities with 1 block of heavy vehicle parking complex, 1 block of 15-storey finance & IT Support Centre and General Administrative offices, and other amenities including central dining, retail, F&B outlets, workshops, and dormitories.

Property Development – Australia

In Australia, the Group's 100%-owned mixed development project, 303 La Trobe, is 97% sold. Comprising 215 residential units of one-, two- and three-bedroom apartments, retail and café outlets on the ground floor and other recreational facilities, the development is situated strategically near the Melbourne Central Railway Station which is in the heart of the central business district. Construction has been slightly delayed due to administrative and contract negotiation issues with the selection of the local main contractor and is targeted to commence in 4Q2018, and completion is targeted by 4Q2021.

As mentioned previously, the Group has increased its focus on development activities, and as such, due to prevailing accounting practices and policies in relation to development activities, this may result in fluctuations in revenue and profit in the reporting periods.

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 second quarter and six months ended 30 June 2018.

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.

There were no IPTs of S\$100,000 or more for the financial period under review.

14. 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 second quarter and six months ended 30 June 2018 to be false or misleading in any material aspect.

15. Confirmation that the issue has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Listing Manual

The Company confirms that it has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1) of the Catalist Listing Manual.

By Order of the Board

Siaw Ken Ket @ Danny Siaw
Executive Chairman & Managing Director
14 August 2018

This announcement has been prepared by Figtree Holdings Limited (the “Company”) and its contents have been reviewed by 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 Catalist. The Sponsor has not verified the contents of this announcement.

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

The contact person for the Sponsor is Ms Gillian Goh, Director, Head of Continuing Sponsorship, (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, and E-mail: sponsorship@ppcf.com.sg).