



FIGTREE HOLDINGS LIMITED

(Company Registration Number : 201315211G)

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## Unaudited Financial Statement and Dividend Announcement For the Financial Period Ended 30 June 2015

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*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 was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”).*

*This announcement has been prepared by the Company and its contents have been reviewed by the Sponsor for compliance with the Singapore Exchange Securities Trading Limited 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 Keng Yeng Pheng, Associate Director, Continuing Sponsorship, at 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, telephone (65) 6229 8088.*

### 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 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

	Note	Group Three Months Ended			Group Six Months Ended		
		30 June 2015	30 June 2014	Change %	30 June 2015	30 June 2014	Change %
		S\$	S\$		S\$	S\$	
Revenue	8(a)(i)	38,076,728	12,170,556	212.9	69,196,684	49,942,055	38.6
Cost of sales		(32,856,057)	(9,475,944)	246.7	(58,098,927)	(42,558,154)	36.5
<b>Gross profit</b>	8(a)(ii)	<b>5,220,671</b>	<b>2,694,612</b>	93.7	<b>11,097,757</b>	<b>7,383,901</b>	50.3
Other income	8(a)(iii)	264,963	166,585	59.1	511,521	215,929	136.9
Administrative costs	8(a)(iv)	(1,710,279)	(1,222,101)	39.9	(3,442,102)	(2,218,407)	55.2
Share of results of associates	8(a)(v)	428,508	(24,178)	NM	264,475	(39,491)	NM
<b>Profit before taxation</b>		<b>4,203,863</b>	<b>1,614,918</b>	160.3	<b>8,431,651</b>	<b>5,341,932</b>	57.8
Tax expense	8(a)(vi)	(825,764)	(160,034)	416.0	(1,673,420)	(800,165)	109.1
<b>Profit for the period</b>		<b>3,378,099</b>	<b>1,454,884</b>	132.2	<b>6,758,231</b>	<b>4,541,767</b>	48.8
<b>Attributable to:</b>							
Owners of the Company		3,423,152	1,435,353	138.5	6,726,491	4,534,015	48.4
Non-controlling interests		(45,053)	19,531	(330.7)	31,740	7,752	309.4
		<b>3,378,099</b>	<b>1,454,884</b>	132.2	<b>6,758,231</b>	<b>4,541,767</b>	48.8

NM – Not Meaningful

## Consolidated Statement of Comprehensive Income

	Group Three Months Ended			Group Six Months Ended		
	30 June 2015	30 June 2014	Change	30 June 2015	30 June 2014	Change
	S\$	S\$	%	S\$	S\$	%
Profit for the period	3,378,099	1,454,884	132.2	6,758,231	4,541,767	48.8
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	(203,631)	(125,814)	61.9	75,181	(127,412)	(159.0)
Other comprehensive income for the period, net of tax	(203,631)	(125,814)	61.9	75,181	(127,412)	(159.0)
Total comprehensive income for the period	<u>3,174,468</u>	<u>1,329,070</u>	138.8	<u>6,833,412</u>	<u>4,414,355</u>	54.8
Attributable to:						
Owners of the Company	3,219,521	1,309,539	145.9	6,801,672	4,406,603	54.4
Non-controlling interests	(45,053)	19,531	(330.7)	31,740	7,752	309.4
	<u>3,174,468</u>	<u>1,329,070</u>	138.8	<u>6,833,412</u>	<u>4,414,355</u>	54.8

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 2015	30 June 2014	Change	30 June 2015	30 June 2014	Change
		S\$	S\$	%	S\$	S\$	%
Depreciation of property, plant and equipment	8(a)(vii)	50,180	40,648	23.5	100,898	78,300	28.9
Foreign exchange loss/(gain), net		124,439	(5,638)	NM	771,912	625	NM
Operating lease expense		8,860	3,914	126.4	24,678	18,187	35.7
Employee benefits expense		1,834,810	1,042,515	76.0	3,286,822	2,331,107	41.0
Write off of property, plant and equipment		-	37,350	NM	-	37,570	NM

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 2015 S\$	As at 31 December 2014 S\$	As at 30 June 2015 S\$	As at 31 December 2014 S\$
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	8(b)(i)	3,683,636	3,766,895	986	1,297
Investment in subsidiaries		–	–	9,152,597	9,152,597
Interests in an associate	8(b)(ii)	679,177	210,371	–	–
Loans to an associate	8(b)(iii)	–	6,880,573	–	–
Loans to a subsidiary		–	–	1,689,060	1,664,969
<b>Total non-current assets</b>		<b>4,362,813</b>	<b>10,857,839</b>	<b>10,842,643</b>	<b>10,818,863</b>
<b>Current assets</b>					
Development properties	8(b)(iv)	19,763,957	–	–	–
Trade receivables	8(b)(v)	48,097,104	35,111,307	–	–
Other receivables	8(b)(vi)	857,269	2,791,149	2,428	3,362
Prepayments		25,112	31,112	804	3,981
Amounts due from subsidiaries		–	–	10,502,795	9,501,321
Amount due from an associate		–	39,030	–	39,030
Loans to an associate	8(b)(iii)	13,599,370	1,613,073	–	–
Cash and short term deposits	8(b)(vii)	9,664,510	37,027,247	3,019,903	5,237,974
<b>Total current assets</b>		<b>92,007,322</b>	<b>76,612,918</b>	<b>13,525,930</b>	<b>14,785,668</b>
<b>Total assets</b>		<b>96,370,135</b>	<b>87,470,757</b>	<b>24,368,573</b>	<b>25,604,531</b>
<b>LIABILITIES</b>					
<b>Current liabilities</b>					
Gross amount due to customers for contract work-in-progress	8(b)(viii)	26,189,117	25,659,782	–	–
Trade and other payables	8(b)(ix)	34,116,166	32,649,394	1,030,440	1,226,646
Provision for taxation	8(b)(x)	2,289,779	1,557,570	7,493	6,680
<b>Total current liabilities</b>		<b>62,595,062</b>	<b>59,866,746</b>	<b>1,037,933</b>	<b>1,233,326</b>
<b>Net current assets</b>		<b>29,412,260</b>	<b>16,746,172</b>	<b>12,487,997</b>	<b>13,552,342</b>
<b>Non-current liability</b>					
Deferred tax liabilities		141,115	6,221	14,457	6,221
<b>Total non-current liabilities</b>		<b>141,115</b>	<b>6,221</b>	<b>14,457</b>	<b>6,221</b>
<b>Total liabilities</b>		<b>62,736,177</b>	<b>59,872,967</b>	<b>1,052,390</b>	<b>1,239,547</b>
<b>Net assets</b>		<b>33,633,958</b>	<b>27,597,790</b>	<b>23,316,183</b>	<b>24,364,984</b>

	Group		Company	
	As at 30 June 2015 S\$	As at 31 December 2014 S\$	As at 30 June 2015 S\$	As at 31 December 2014 S\$
<b><u>EQUITY</u></b>				
Equity attributable to owners of the Company				
Share capital	22,489,686	20,511,462	22,489,686	20,511,462
Accumulated profits	18,892,187	14,941,164	826,497	3,853,522
Merger deficit <sup>(1)</sup>	(8,152,595)	(8,152,595)	-	-
Foreign currency translation reserve	335,179	259,998	-	-
	33,564,457	27,560,029	23,316,183	24,364,984
Non-controlling interests	69,501	37,761	-	-
<b>Total equity</b>	<b>33,633,958</b>	<b>27,597,790</b>	<b>23,316,183</b>	<b>24,364,984</b>

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 2015		As at 31 December 2014	
Secured S\$	Unsecured S\$	Secured S\$	Unsecured S\$
-	-	-	-

Amount repayable after one year

As at 30 June 2015		As at 31 December 2014	
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 2015	30 June 2014	30 June 2015	30 June 2014
	S\$	S\$	S\$	S\$
<b>Cash flows from operating activities</b>				
Profit before taxation	4,203,863	1,614,918	8,431,651	5,341,932
Adjustments for:				
Depreciation of property, plant and equipment	50,180	40,648	100,898	78,300
Write off of property, plant and equipment	–	37,570	–	37,570
Share of results of associates	(428,508)	24,178	(264,475)	39,491
Interest income	(236,518)	(149,024)	(499,343)	(185,109)
<b>Operating cash flows before changes in working capital</b>	<b>3,589,017</b>	<b>1,568,290</b>	<b>7,768,731</b>	<b>5,312,184</b>
(Increase)/decrease in:				
Development properties	(195,210)	–	(19,763,957)	–
Trade receivables	(6,178,301)	(1,140,740)	(12,985,797)	(16,213,384)
Other receivables and prepayments	30,249	751,539	1,939,880	826,274
Amount due from an associate	–	(15,504)	39,030	(26,242)
(Decrease)/increase in:				
Gross amount due to customers for contract work-in-progress	(8,261,955)	(2,455,059)	529,335	5,392,843
Trade and other payables	5,359,957	(2,770,142)	1,466,771	(4,139,179)
<b>Cash flows used in operations</b>	<b>(5,656,243)</b>	<b>(4,061,616)</b>	<b>(21,006,007)</b>	<b>(8,847,504)</b>
Income tax paid	(848,386)	(1,018,951)	(806,316)	(1,020,547)
<b>Net cash flows used in operating activities</b>	<b>(6,504,629)</b>	<b>(5,080,567)</b>	<b>(21,812,323)</b>	<b>(9,868,051)</b>
<b>Cash flows from investing activities</b>				
Purchases of property, plant and equipment	(11,018)	(55,858)	(16,134)	(187,741)
Net cash outflow on acquisition of an associate	–	–	–	(38,000)
Loans to an associate	(1,407,292)	(128,154)	(4,857,025)	(7,077,133)
Interest received	22,499	149,024	95,591	185,109
<b>Net cash flows used in investing activities</b>	<b>(1,395,811)</b>	<b>(34,988)</b>	<b>(4,777,568)</b>	<b>(7,117,765)</b>
<b>Cash flows from financing activities</b>				
Issuance of new shares, net of issuance expense	1,978,224	(7,688)	1,978,224	(7,688)
Dividends paid on ordinary shares	(2,775,468)	(3,330,552)	(2,775,468)	(3,330,552)
<b>Net cash flows used in financing activities</b>	<b>(797,244)</b>	<b>(3,338,240)</b>	<b>(797,244)</b>	<b>(3,338,240)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(8,697,684)</b>	<b>(8,453,795)</b>	<b>(27,387,135)</b>	<b>(20,324,056)</b>
Cash and cash equivalents at the beginning of period	18,363,303	10,944,796	37,027,247	22,815,858
Effects of exchange rate changes on cash and cash equivalents	(1,109)	(883)	24,398	(1,684)
<b>Cash and cash equivalents at the end of period</b>	<b>9,664,510</b>	<b>2,490,118</b>	<b>9,664,510</b>	<b>2,490,118</b>

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

	Group		Group	
	Three Months Ended		Six Months Ended	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
	S\$	S\$	S\$	S\$
Cash and short term deposits	9,664,510	4,990,118	9,664,510	4,990,118
Less: Pledged deposits	-	(2,500,000)	-	(2,500,000)
Cash and cash equivalents at the end of period	<u>9,664,510</u>	<u>2,490,118</u>	<u>9,664,510</u>	<u>2,490,118</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 Company S\$	Non-controlling interests S\$	Total equity S\$
	Share capital S\$	Accumulated profits S\$	Merger deficit S\$	Foreign currency translation reserve S\$	Total reserves S\$			
Balance as at 1 April 2014	20,519,150	14,150,201	(8,152,595)	4,199	6,001,805	26,520,955	19,836	26,540,791
Profit for the period	-	1,435,353	-	-	1,435,353	1,435,353	19,531	1,454,884
<u>Other comprehensive income</u>								
Foreign currency translation	-	-	-	(125,814)	(125,814)	(125,814)	-	(125,814)
Total comprehensive income for the period	-	1,435,353	-	(125,814)	1,309,539	1,309,539	19,531	1,329,070
<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 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	<u>20,511,462</u>	<u>12,255,002</u>	<u>(8,152,595)</u>	<u>(121,615)</u>	<u>3,980,792</u>	<u>24,492,254</u>	<u>39,367</u>	<u>24,531,621</u>
Balance as at 1 April 2015	20,511,462	18,244,503	(8,152,595)	538,810	10,630,718	31,142,180	114,554	31,256,734
Profit for the period	-	3,423,152	-	-	3,423,152	3,423,152	(45,053)	3,378,099
<u>Other comprehensive income</u>								
Foreign currency translation	-	-	-	(203,631)	(203,631)	(203,631)	-	(203,631)
Total comprehensive income for the period	-	3,423,152	-	(203,631)	3,219,521	3,219,521	(45,053)	3,174,468
<u>Contributions by and distributions to owners</u>								
Dividends on ordinary shares	-	(2,775,468)	-	-	(2,775,468)	(2,775,468)	-	(2,775,468)

Issuance of ordinary shares as scrip dividend	2,002,314	-	-	-	-	2,002,314	-	2,002,314
Share issuance expense	(24,090)	-	-	-	-	(24,090)	-	(24,090)
<b>Total contributions by and distributions to owners</b>	<b>1,978,224</b>	<b>(2,775,468)</b>	-	-	<b>(2,775,468)</b>	<b>(797,244)</b>	-	<b>(797,244)</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>1,978,224</b>	<b>(2,775,468)</b>	-	-	<b>(2,775,468)</b>	<b>(797,244)</b>	-	<b>(797,244)</b>
Balance as at 30 June 2015	<u>22,489,686</u>	<u>18,892,187</u>	<u>(8,152,595)</u>	<u>335,179</u>	<u>11,074,771</u>	<u>33,564,457</u>	<u>69,501</u>	<u>33,633,958</u>

Company	Share capital S\$	Accumulated profits S\$	Total S\$
Balance as at 1 April 2014	20,519,150	3,429,149	23,948,299
Loss for the period, representing total comprehensive income for the period	-	(71,495)	(71,495)
<u>Contributions by and distributions to owners</u>			
Dividends on ordinary shares	-	(3,330,552)	(3,330,552)
Issuance of ordinary shares as scrip dividend	312	-	312
Share issuance expense	(8,000)	-	(8,000)
<b>Total contributions by and distributions to owners</b>	<b>(7,688)</b>	<b>(3,330,552)</b>	<b>(3,338,240)</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>(7,688)</b>	<b>(3,330,552)</b>	<b>(3,338,240)</b>
Balance as at 30 June 2014	<u>20,511,462</u>	<u>27,102</u>	<u>20,538,564</u>
Balance as at 1 April 2015	20,511,462	3,750,323	24,261,785
Loss for the period, representing total comprehensive income for the period	-	(148,358)	(148,358)
<u>Contributions by and distributions to owners</u>			
Dividends on ordinary shares	-	(2,775,468)	(2,775,468)
Issuance of ordinary shares as scrip dividend	2,002,314	-	2,002,314
Share issuance expense	(24,090)	-	(24,090)
<b>Total contributions by and distributions to owners</b>	<b>1,978,224</b>	<b>(2,775,468)</b>	<b>(797,244)</b>
<b>Total transactions with owners in their capacity as owners</b>	<b>1,978,224</b>	<b>(2,775,468)</b>	<b>(797,244)</b>
Balance as at 30 June 2015	<u>22,489,686</u>	<u>826,497</u>	<u>23,316,183</u>

**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	Issued and paid-up share capital (S\$)
As at 1 April 2015	277,546,822	20,511,462
Issuance of new ordinary shares as scrip dividend	15,066,312	2,002,314
Share issuance expense	-	(24,090)
As at 30 June 2015	<u>292,613,134</u>	<u>22,489,686</u>

There were no outstanding options, convertibles or treasury shares as at 30 June 2015 and 31 December 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 2015	As at 31 December 2014
Total number of issued shares excluding treasury shares	<u>292,613,134</u>	<u>277,546,822</u>

There were no treasury shares as at 30 June 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**

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 year ended 31 December 2014.

**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 1 January 2015. 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 Three Months Ended		Group Six Months Ended	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
	S\$	S\$	S\$	S\$
Profit attributable to owners of the Company	3,423,152	1,435,353	6,726,491	4,534,015
	Weighted average number of shares	Weighted average number of shares	Weighted average number of shares	Weighted average number of shares
Basic and diluted weighted average number of ordinary shares	277,879,779	277,546,027	277,879,779	277,546,027
	Singapore cents	Singapore cents	Singapore cents	Singapore cents
Basic and diluted Earnings Per Share ("EPS") attributable to owners of the Company <sup>(1)</sup>	1.23	0.52	2.42	1.63

Notes:

(1) The basic and diluted earnings per ordinary share for the periods ended 30 June 2015 and 30 June 2014 were the same as the Company did not have potential dilutive ordinary shares as at 30 June 2015 and 30 June 2014.

**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 2015	As at 31 December 2014	As at 30 June 2015	As at 31 December 2014
Net asset value per ordinary share based on issued share capital (cents)	11.47	9.93	7.97	8.78
Number of issued ordinary shares	292,613,134	277,546,822	292,613,134	277,546,822

**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 ended 30 June 2015 ("6M2015") vs 30 June 2014 ("6M2014")

- (i) The Group's revenue increased by 38.6%, from S\$49.94 million in 6M2014 to S\$69.20 million in 6M2015 mainly due to revenue recognised for the Crystal Freight Services Distripark Pte Ltd ("CFSDPL") and Development 8 Pte Ltd ("D8") projects in 6M2015.
- (ii) The Group's gross profit increased by 50.3% from S\$7.38 million in 6M2014 to S\$11.10 million in 6M2015. Correspondingly, gross profit margin increased marginally by 1.2 percentage points from 14.8% in 6M2014 to 16.0% in 6M2015 which was mainly attributed to improved cost efficiency.
- (iii) The Group's other income increased from S\$0.22 million in 6M2014 to S\$0.51 million in 6M2015 mainly due to interest income recognised from long term loans extended to an associate.
- (iv) The Group's administrative costs increased by 55.2% from S\$2.22 million in 6M2014 to S\$3.44 million in 6M2015. The increase was mainly attributable to foreign exchange losses as well as an increase in employee expenses as a result of additional headcount to support the increase in activities of the Group.
- (v) Share of results of associates relates to the profit from the Company's associate, Vibrant Properties Pte. Ltd. ("VPPL"). The profit recognised by VPPL arose mainly from the revaluation of investment property, partially offset by interest expenses from shareholder loans extended to VPPL.
- (vi) Tax expense increased by 109.1% from S\$0.80 million in 6M2014 to S\$1.67 million in 6M2015, which was in line with the higher profits recognised in 6M2015.
- (vii) Depreciation of property, plant and equipment increased from S\$0.08 million in 6M2014 to S\$0.10 million in 6M2015 mainly due to the additional purchase of a motor vehicle at the end of FY2014.

Financial period from 1 April 2015 to 30 June 2015 ("2Q2015") vs 1 April 2014 to 30 June 2014 ("2Q2014")

- (i) The Group's revenue increased by 212.9%, from S\$12.17 million in 2Q2014 to S\$38.08 million in 2Q2015 mainly due to revenue recognised for CFSDPL and D8 projects in 2Q2015.
- (ii) The Group's gross profit increased by 93.7% from S\$2.69 million in 2Q2014 to S\$5.22 million in 2Q2015. However, gross profit margin decreased by 8.4 percentage points from 22.1% in 2Q2014 to 13.7% in 2Q2015 which was mainly attributed to different quantum and size of projects in 2Q2015 as compared to 2Q2014.
- (iii) The Group's other income increased from S\$0.17 million in 2Q2014 to S\$0.26 million in 2Q2015 mainly due to interest income recognised from long term loans extended to an associate.
- (iv) The Group's administrative costs increased by 39.9% from S\$1.22 million in 2Q2014 to S\$1.71 million in 2Q2015. The increase was mainly attributable to foreign exchange losses as well as an increase in employee expenses as a result of additional headcount to support the increase in activities of the Group.
- (v) Share of results of associates relates to the profit from VPPL. The profit recognised by VPPL arose from the revaluation of investment property, partially offset by interest expenses from shareholder loans extended to VPPL.
- (vi) Tax expense increased by 416.0% from S\$0.16 million in 2Q2014 to S\$0.83 million in 2Q2015, which was in line with the higher profits recognised in 2Q2015.
- (vii) Depreciation of property, plant and equipment increased from S\$0.04 million in 2Q2014 to S\$0.05 million in 2Q2015 mainly due to the additional purchase of a motor vehicle at the end of FY2014.

(b) **Review of the Financial Position of the Group**

- (i) The net book value of the Group's property, plant and equipment decreased from S\$3.77 million as at 31 December 2014 to S\$3.68 million as at 30 June 2015 due to depreciation charges during the period.
- (ii) The increase in interests in an associate from S\$0.21 million as at 31 December 2014 to S\$0.68 million as at 30 June 2015 arose from the Group's share of the foreign currency translation reserve of VPPL and the Group's share of associates' profits for the period.
- (iii) Total loans to an associate increased from S\$8.49 million as at 31 December 2014 to S\$13.60 million as at 30 June 2015 mainly due to additional shareholder's loans extended to VPPL as well as interest charges on those loans.
- (iv) Development properties relates to the acquisition of the properties in Melbourne, Australia, which was completed on 16 February 2015, stamp duties and taxes relating to the purchase of the said properties, as well as preliminary costs incurred in the planning stages of the re-development of these properties.
- (v) Trade receivables as at 30 June 2015 and 31 December 2014 comprised the following :

	Group	
	As at 30 June 2015	As at 31 December 2014
	S\$	S\$
Trade receivables	13,998,532	5,219,415
Accrued receivables	13,580,573	13,544,923
Retention receivables	20,517,999	16,346,969
Total trade receivables	48,097,104	35,111,307

Total trade receivables increased by S\$12.99 million from S\$35.11 million as at 31 December 2014 to S\$48.10 million as at 30 June 2015 mainly due to the two major projects with D8 and CFSDPL.

- (vi) Other receivables as at 30 June 2015 and 31 December 2014 comprised the following :

	Group	
	As at 30 June 2015	As at 31 December 2014
	S\$	S\$
Other receivables	700,000	700,000
GST receivables	30,615	5,567
Refundable deposits	111,674	123,570
Non-refundable deposits	–	1,898,062
Sundry receivables	14,980	63,950
Total other receivables	857,269	2,791,149

Other receivables decreased by S\$1.93 million from S\$2.79 million as at 31 December 2014 to S\$0.86 million as at 30 June 2015 mainly due to the purchase completion of the properties in Melbourne, Australia, for the purpose of re-development, amounting to approximately S\$1.90 million (A\$1.75 million).

- (vii) Cash and short term deposits decreased by S\$27.37 million from S\$37.03 million as at 31 December 2014 to S\$9.66 million as at 30 June 2015 largely due to the payment of the remaining cash consideration of

A\$15.69 million (approximately S\$16.53 million) on 16 February 2015 to complete the acquisition of the properties in Melbourne, Australia. Additionally, there was an increase in expenses from preliminary costs incurred in the planning stages of the re-development of these properties amounting to approximately S\$3.23 million. There were also additional shareholder's loans extended to VPPL amounting to approximately S\$4.86 million during the period, as well as dividends paid to shareholders amounting to approximately S\$2.78 million.

- (viii) The net increase in gross amount due to customers for contract work-in-progress from S\$25.66 million as at 31 December 2014 to S\$26.19 million as at 30 June 2015 was mainly due to progress billings in excess of construction work-in-progress.
- (ix) Trade and other payables as at 30 June 2015 and 31 December 2014 comprised the following :

	Group	
	As at 30 June 2015 S\$	As at 31 December 2014 S\$
Trade payables	8,750,120	3,868,897
GST payables	621,169	1,740,755
Accrued operating expenses	24,713,226	27,018,448
Sundry payables	31,651	21,294
<b>Total trade and other payables</b>	<b>34,116,166</b>	<b>32,649,394</b>

Trade and other payables increased by S\$1.47 million from S\$32.65 million as at 31 December 2014 to S\$34.12 million in 30 June 2015 mainly due to an increase in trade payables, which was in line with the progression of the D8 and CFSDPL projects. This was partially offset by a decrease in accrued operating expenses. Accrued operating expenses 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.

- (x) Provision for taxation increased by S\$0.73 million from S\$1.56 million as at 31 December 2014 to S\$2.29 million as at 30 June 2015 in line with the higher profits achieved in 6M2015.

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

**Financial period ended 30 June 2015 ("6M2015")**

In 6M2015, the Group recorded a net cash outflow from operating activities of S\$21.81 million, which was a result of operating cash flows before changes in working capital of S\$7.77 million, adjusted for working capital outflows of S\$28.77 million and income tax paid of S\$0.81 million. Working capital outflows were mainly due to an increase in development properties of S\$19.76 million and an increase in trade receivables of S\$12.99 million. This was partially offset by a decrease in other receivables and prepayments of S\$1.94 million, a decrease in amount due from an associate of S\$0.04 million, an increase in gross amount due to customers for contract work-in-progress of S\$0.53 million and an increase in trade and other payables of S\$1.47 million.

Net cash used in investing activities amounted to S\$4.78 million, which was mainly due to the purchases of property, plant and equipment of S\$0.02 million and long term loans extended to an associate of S\$4.86 million, partially offset by interest received from short term deposits of S\$0.10 million.

Net cash used in financing activities amounted to S\$0.80 million mainly due to dividends paid on ordinary shares of S\$2.78 million, partially offset by the issuance of new shares as scrip dividend, net of issuance expenses of S\$1.98 million.

As a result of the above, there was a net decrease of S\$27.39 million in the Group's cash and cash equivalents, from S\$37.03 million as at 31 December 2014 to S\$9.66 million as at 30 June 2015.

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## Financial period from 1 April 2015 to 30 June 2015 ("2Q2015")

In 2Q2015, the Group recorded a net cash outflow from operating activities of S\$6.50 million, which was a result of operating cash flows before changes in working capital of S\$3.59 million, adjusted for working capital outflows of S\$9.25 million and income tax paid of S\$0.85 million. Working capital outflows were mainly due to an increase in development properties of S\$0.20 million, an increase in trade receivables of S\$6.18 million and a decrease in gross amount due to customers for contract work-in-progress of S\$8.26 million. This was partially offset by a decrease in other receivables and prepayments of S\$0.03 million and an increase in trade and other payables of S\$5.36 million.

Net cash used in investing activities amounted to S\$1.40 million, which was mainly due to the purchases of property, plant and equipment of S\$0.01 million and long term loans extended to an associate of S\$1.41 million, partially offset by interest received from short term deposits of S\$0.02 million.

Net cash used in financing activities amounted to S\$0.80 million mainly due to dividends paid on ordinary shares of S\$2.78 million, partially offset by the issuance of new shares as scrip dividend, net of issuance expenses of S\$1.98 million.

As a result of the above, there was a net decrease of S\$8.70 million in the Group's cash and cash equivalents, from S\$18.36 million as at 31 March 2015 to S\$9.66 million as at 30 June 2015.

### **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 unaudited financial results announcement for the first quarter ended 31 March 2015, dated 14 May 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 Group remains cautiously positive on its business outlook on the back of new contracts secured in the second quarter of 2015.

In June 2015, the Group's Design and Build segment secured a S\$65 million contract to design and build a state-of-the-art logistics hub in Singapore, bringing its total order book as at the date of this announcement to approximately S\$123.63 million. The Group will continue to build on its growth momentum by exploring new opportunities for industrial design and build projects in Singapore, China and the region.

For the Property Development Segment, the Group has also been awarded its second government-approved settlement housing development project in China through its joint venture company, 江阴德玛斯特辉联房地产开发有限公司 ("Master Real Estate"), in which the Group has an effective stake of 24%, through its 40%-owned associate, Vibrant Properties Pte. Ltd. ("VPPL"). Under the Build-and-Transfer model, this project has a guaranteed buy back from the government. Construction has commenced recently and is expected to complete by the end of 2016.

The Group's first Build-and-Transfer development project, which is also a government-approved resettlement housing development site in Jiangyin, China (江苏省江阴市澄江街道行政区域), is progressing well with construction proceeding ahead of schedule. This project is now slated for completion by the fourth quarter of 2015.

In China, the Group's other property development project, the Changshu Fervent Industrial Park (Phase 1) in Changshu High Tech Industrial Park, CEDZ, Jiangsu province has been completed. This project, in which the Group has an effective stake of 20% via VPPL, will be kept for investment to strengthen the Group's recurring income base. The project is now currently being marketed and has received strong interest from prospective tenants.

The Group will continue to explore potential property development opportunities in China through VPPL.

In Australia, the Group is still awaiting approval from the authorities for the development of a 66-storey mixed residential development with 2 basements located at 293–299 and 301-303 La Trobe Street, Melbourne, Victoria.

The Group expects to remain profitable in FY2015.

## 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 interim dividend has been declared for the second quarter and six months ended 30 June 2015.

## 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 period under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920) (S\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000) (S\$'000)
Singapore Enterprises Private Limited in relation to the provision of proportionate shareholders' loans to VPPL <sup>1</sup>	1,439	–
<b>Update on IPT as disclosed in the Offer Document</b>		
Design and build contract between Figtree Projects Pte. Ltd. and Freight Links E-Logistics Technopark Pte Ltd <sup>2</sup>	7	–

Design and build contract between Figtree Projects and Crystal Freight Services Distripark Pte Ltd <sup>3</sup>	12,178	-
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Notes:

1. The transactions are not required to comply with Rule 906 of the Listing Manual (Section B: Rules of Catalyst) of the Singapore Exchange Securities Trading Limited ("Catalist Rules") pursuant to Rule 916(3)(c) of the Catalyst Rules (please refer to the announcement made on 12 May 2014).
2. As disclosed in Page 121 of the Offer Document. Construction works for this project commenced on 11 September 2013. For 6M2015 and 2Q2015, S\$0.01 million of work was done for this project and S\$0.01 million was invoiced. A total amount of S\$2.67 million of work was done, S\$2.67 million was invoiced and S\$2.67 million has been collected since the commencement of this project.
3. As disclosed in Page 122 of the Offer Document. Construction works for this project commenced on 20 November 2014. For 6M2015, S\$15.30 million of work was done for this project and S\$16.55 million was invoiced. For 2Q2015, S\$9.01 million of work was done and S\$12.18 million was invoiced. A total amount of S\$25.20 million of work was done, S\$23.34 million was invoiced and S\$13.76 million has been collected since the commencement of this project.

**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 2015 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 2015